Daily Report

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CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

ALBANIA

Russian Mercenaries' Presence in Serbia Explained *[Tirana Radio]* 1
Ministry Officials Discuss Yugoslav Crisis *[ATA]* 1
Berisha Discusses Domestic, International Issues *[Skopje FLAKA E VELLAZERIMIT 30 Dec]* 1
Berisha Praises Historical Figure *[ATA]* 6
Presidential Spokesman Comments on Daily Article *[ATA]* 7
Cabinet Approves Farmers' Social Insurance Bill *[ATA]* 7
Border Police Chief Views Control Measures *[ATA]* 8
Work Resumes at Ballsh Oil Processing Plant *[ATA]* 8
Miners' Trade Union Condemns Strike, Airs Concerns *[ATA]* 8
Berisha, World Bank Mission Discuss Reform *[ATA]* 8
Private Trade Activity Increasing in Tirana *[ATA]* 9
Hoxha Trial To Resume 21 January *[AFP]* 9

BULGARIA

Zhelev Congratulates Clinton on Inauguration *[BTA]* 10
Berov, U.S. Envoy Discuss Balkans Issues *[BTA]* 10
IMF Mission Continues Visit, Negotiations 10
Meets Prime Minister Berov *[BTA]* 10
'Progress' in Talks Reported *[BTA]* 10
Delegation Meets President Zhelev *[BTA]* 11
Need for Agreement Stressed *[KONTINENT 16-17 Jan]* 11
Assembly Votes To Strip Lilov of Immunity *[Sofia Radio]* 11
BSP Protests Assembly Decision *[BTA]* 12
Dailies View Assembly Vote *[BTA]* 12
Foreign Minister-Designate Declines Appointment *[BTA]* 13
Council of Ministers Discusses Privatization *[BTA]* 13
SDS, BSP Open Regional, Municipal Conferences *[BTA]* 13
Dissensions Between SDS Group, Council Reported *[KONTINENT 18 Jan]* 13
Ganev Views SDS Past Mistakes *[24 CHASA 11 Jan]* 14
Editorial Advocates Support for Berov Cabinet *[PRAVA I SVOBODI 8 Jan]* 15
Deputy Premier Neev Discusses Energy Crisis *[BTA]* 15

CZECH REPUBLIC

Klaus Assures Delors on Czech Interests *[Prague Radio]* 16
Klaus Discusses Cabinet's Current Concerns *[CESKY DENIK 14 Jan]* 16
Dlouhy Comments on Law on Bankruptcies, Settlement *[CTK]* 18
Baudys Explains 'Protecting the Border' Statement *[CESKY DENIK 15 Jan]* 18
Majority of Czechs Support Territorial Arrangement *[CTK]* 18
Havel Accepts Presidential Nomination *[CTK]* 19
Coopertation With KSCM in Shadow Cabinet Rejected *[MLADA FRONTA DNES 14 Jan]* 19
New Faction Formed Within Communist Party *[CTK]* 20
Dlouhy on Disputes Within Coalition, ODA Policy *[CESKY DENIK 13 Jan]* 20
Labor Ministry Report Shows Drop in Unemployment *[CTK]* 21
New Tax Causes Prices To Rise Over 20 Percent *[CTK]* 22
Bank To Claim Largest Share of Federal Funds *[HOSPODARSKE NOVINY 11 Jan]* 22
Klaus on Currency, Election of President *[Prague Radio]* 23
Prague Exchange Alters Operational Policy *[CTK]* 24
Bank Official Gives Details of New Coinage *[Prague Radio]* 24

Finance Ministry Denies Impending Currency Split *[CTK]* 24
Central Bank's Reserves Drop 40 Percent in Week *[RUDE PRAVO 16 Jan]* 24
Klaus, Kohl Discuss Reserves *[CTK]* 25
CNB Says Reserves 'Stable' *[HOSPODARSKE NOVINY 19 Jan]* 25
Baudys: Army, Defense Ministry To Be Modified *[CTK]* 25
Migration Bill Raises Concerns of Racism *[CTK]* 26

SLOVAKIA

Premier, Deputy Invited to Clinton Inauguration 27
U.S. Embassy Unaware of Invitation *[NARODNA OBRODA 19 Jan]* 27
Invitation Authenticity Confirmed *[CTK]* 27
Clinton Inauguration, 'Intentions' Discussed *[Bratislava TV]* 27
Talks on Gabcikovo Dam End 'Inconclusively' *[CTK]* 28
Leaders Criticize Slovak Newspapers *[CTK]* 28
Meciar Views Nation's Negative Image Abroad *[Hamburg DIE WELT 18 Jan]* 29
Parliament Passes Laws on Citizenship *[CTK]* 32
Hungarian Organization's Initiative Protested *[CTK]* 32
Candidates for Presidential Elections Announced *[CTK]* 33
Parties Criticize Concentration of Power in HZDS *[CTK]* 33
Investment Protection Accord Signed With Czechs *[CTK]* 33
Wages, Pensions, Cost of Living Statistics Cited *[PRAVDA 18 Jan]* 33
National Bank Officially Begins Operations *[CTK]* 34
Vice Governor on Currency Question *[HOSPODARSKY NOVINY 18 Jan]* 34
Czech Demand for 'Compensation' Rejected *[NARODNA OBRODA 19 Jan]* 35
Arms Modernization Investments Not Considered *[CTK]* 35

HUNGARY

Correspondents View Clinton's Policies *[Budapest Radio]* 36
Defense Spokesman Discusses Arms Acquisitions *[UJ MAGYARORSZAG 13 Jan]* 38
Interior Minister on Domestic Power Structure *[NEPSZABADSAG 13 Jan]* 38
Csurka Declines Candacy for HDF Chairmanship *[MTI]* 39

POLAND

Walesa Sends Congratulatory Telegram to Clinton *[PAP]* 40
Skubiszewski on Cooperation With France, Germany *[PAP]* 40
Yeltsin Aide Stresses Importance of Relations *[PAP]* 40
Cites Documents To Be Signed *[PAP]* 41
Economic Protocol Signed With Russia *[PAP]* 41
Geremek Comments on Current Political Scene *[Warsaw Radio]* 41
Walesa Attends Cabinet Session, Supports Decrees *[PAP]* 44
Walesa Praises Attitude of Solidarity Committees *[SERWIS INFORMACYJNY]* 44
Deputy Premier Announces End of Recession *[Warsaw Radio]* 44

ROMANIA

Iliescu Congratulates Clinton on Inauguration *[ROMPRES]* 45
Major Dailies View Clinton Inauguration *[ROMPRES]* 45
Dailies Continue Commentary *[ROMPRES]* 45
Bosnian Serbs Encouraged To Accept Geneva Plan *[ROMPRES]* 46
Tokes Interviewed Prior to UDMR Congress *[ROMANIAI MAGYAR SZO 13 Jan]* 46
Negritoiu's Connections With Securitate Disclosed *[EVENIMENTUL ZILEI 12 Jan]* 47
Negritoiu Rebuffs Allegations *[EVENIMENTUL ZILEI 14 Jan]* 47
Foreign Ministry Spokesman Rejects Russian Charges *[ROMPRES]* 48
Discusses Economic Issues *[ROMPRES]* 48
Reiterates 'Special' U.S. World Role *[ROMPRES]* 48
FDSN Holds Talks With National Bank Officials *[ROMPRES]* 49
Central Bank Official Views Currency Devaluation *[ROMPRES]* 49

BOSNIA-HERCEGOVINA

Serb Assembly Endorses Geneva Peace Plan *[TANJUG]* 50
Karadzic Comments on Plan *[TANJUG]* 50
Serb Officials Comment *[Belgrade Radio]* 50
Karadzic Address to Assembly Reported *[Belgrade Radio]* 52
National Council Rejects Plan *[TANJUG]* 55
Foca Commander Rejects Plan *[TANJUG]* 56
Muslims, Croats Reportedly Agree on Cease-Fire *[AFP]* 56
Vance, Owen Mediate Conflict *[Sarajevo Radio]* 56
Boban Orders End of Hostilities *[Zagreb Radio]* 56
Presidency, Government Meet *[Sarajevo Radio]* 57
Despite Accord, Fighting Continues *[Zagreb Radio]* 57
Croats Report Continuing Problems *[Zagreb Radio]* 57
Government: Croatia 'Aggressive State' *[AFP]* 57
Rajic Criticizes Izetbegovic Remarks *[Zagreb Radio]* 57
Karadzic Chides Izetbegovic *[TANJUG]* 58
Serb Parliament Elects Premier, Concludes Session *[TANJUG]* 58
Lukic Comments on Selection *[TANJUG]* 58
Serb Republic Ministers Appointed *[TANJUG]* 59
Serb Assembly Writes Clinton on Crisis *[TANJUG]* 59
Serb Republic Explains Position to Islamic States *[TANJUG]* 59
New Muslim Attacks at Bajina Basta Expected *[Belgrade Radio]* 60
Air Raids, Hunger, Disease in Srebrenica *[Sarajevo Radio]* 60
Army Protests to UN on Serb Poison Gas Use *[Sarajevo Radio]* 60
2,700 Serbs Allegedly Held in Bosnian Camps *[TANJUG]* 60

CROATIA

Tudjman: Izetbegovic Statement 'Unfounded' *[Zagreb Radio]* 62
Tudjman on Bosnian Conflict, Vance Plan *[Paris LE FIGARO 18 Jan]* 62
Djukic Discusses Issue of Serbs in Croatia *[SLOBODNA DALMACIJA 4 Jan]* 64

YUGOSLAVIA

Federal

Army Commentary Ridicules U.S. Threats, Actions *[VOJSKA 31 Dec]* 68
Army Patrol Enters Hungarian Territory *[TANJUG]* 69
Politicians Assess Bosnian Serb Decision *[TANJUG]* 69
Experts Deny Yugoslav Nuclear Capability *[TANJUG]* 69
Article Views Possible Candidates for Premier *[POLITIKA 7 Jan]* 70
Sanctions Force Workers Into Paid Leave *[TANJUG]* 71
Economy at Critical Point; Local Supplies Dry Up *[TANJUG]* 71

Serbia

Visiting Russian Deputies Say Sanctions 'Unjust' *[TANJUG]* 72
Quarter of Firms 'Incapable' of Paying Debts *[TANJUG]* 72

Macedonia

Greek 'Warplane' Violates Macedonian Airspace *[AFP]* 72
Gligorov Said in Favor of Reuniting Yugoslavia *[TANJUG]* 72
Serbs in Kuceviste Protest Police Actions *[TANJUG]* 73
Electricity, Bread, Meat Prices Increase *[TANJUG]* 73

Montenegro

Montenegro Violates United Nations Sanctions *[BORBA 8 Jan]* 73

Kosovo

Pristina University Reports 768 Teachers Fired *[ATA]* 73
Serbs Reportedly Close Down Health Center *[ATA]* 74
Serbs Reportedly Forcibly Expropriating Firms *[ATA]* 74
Police Mistreatment of Albanian Travelers Reported *[Tirana Radio]* 74
Police Reportedly Evicting Albanians *[Tirana Radio]* 74
Political Situation in Kamenice Said 'Grave' *[ATA]* 74
Paper's Staff Protests Serb Arrest of Reporter *[ATA]* 74
Albanian Official Wants Bosnia-Style Solution *[ATA]* 75
Rift Reported Among Ethnic Albanian Parties *[TANJUG]* 75
Serbian Plan To Attack Kosovo Cited *[BORBA 5 Jan]* 75

Vojvodina

Opposition Parties Form Local Coalition *[TANJUG]* 76
Fertilizer, Fuel Shortage Threatens Harvest *[TANJUG]* 76

Russian Mercenaries' Presence in Serbia Explained

AU2001194293 Tirana Radio Tirana Network in Albanian 1430 GMT 20 Jan 93

[Text] This morning the ambassador extraordinaire and plenipotentiary of the Russian Federation in the Republic of Albania, Mr. (Victor Nerubajllo), invited representatives from ATA and Radio-Television to the embassy to hear an explanation concerning the question of the presence of Russian mercenaries in Serbia.

Mr. (Nerubajllo) said: I want to thank you for accepting my invitation to come to our embassy and listen to the explanations about a subject that worries the Albanian public. I would like to make several remarks about this topic, because your public is concerned about this problem. I intend to use facts and only facts, proceeding from the truth.

1. It is true that Russian volunteers or mercenaries are present in Serbia. It is also undeniable that there are volunteers, or if you like, mercenaries of other states in Croatia and Bosnia-Hercegovina, that is, in the three sides involved in the conflict.

2. The foreign press has presented these facts in a sensational spirit, creating the impression that it is a question of an allegedly massive overflow. This is not so. I want to stress that these are relatively few cases.

3. Russian legislation has unfortunately not sanctioned judicial norms to prevent Russians from going abroad on such activities so far. Such documents are being compiled. However, under the conditions of opening of borders between the states of the CIS, it is difficult to prevent the movement of these people.

4. This is the most important point. The participation of Russian mercenaries on the side of Serbia or of any other state has nothing in common with Russia's stand in the Balkans and its regional policy. These are individual acts by a few people, and they deserve to be condemned. The Albanian public should consider that Russia approves of those forces in the former Yugoslavia and Belgrade that are in the favor of the constructive cooperation with the international community under the spirit of the decisions of the Geneva and London conferences, the UN, and CSCE. The policy of Russia is determinedly in favor of the peaceful resolution of the Yugoslav crises with political means. These are the points I particularly wanted to stress. I thank you once against for coming to us.

Regarding a more thorough discussion on Russia's stand toward the Balkan states, Kosovo, and Bosnia-Hercegovina, I want to meet with the Albanian mass media representatives soon in a news conference, the ambassador said.

Mr. (Nerubajllo) later pointed out: I do not possess data that the Russian Parliament is drafting any decision on lifting the embargo against Serbia and Montenegro. I can say that a group of deputies in the Russian Parliament favor easing the sanctions, but their opinion does not represent the opinion of the Russian Parliament. Russia's official stand is to support all decisions by the UN and its Security Council against Serbia and former Yugoslavia.

Ministry Officials Discuss Yugoslav Crisis

AU2101143093 Tirana ATA in English 0911 GMT 21 Jan 93

[Text] Tirana, January 21 (ATA)—The chairman of the group on ethnic questions, national community, and minorities of the peace conference for former Yugoslavia, Gert Arens, had a meeting at the Albanian Foreign Ministry with the head of the Department of Multilateral Cooperation and International Organizations, Dervish Dumi, and other senior officials of this ministry.

As is known, Arens leads the talks between the representatives of Kosovo and the Belgrade authorities on the situation of education, health, etc.

During the meeting they discussed on the Yugoslav crisis, the situation and alternatives under discussion on finding a new solution to the conflict in Bosnia-Hercegovina.

They talked in particular about the situation in Kosovo. They pointed out that every solution should take into consideration the realisation of the demands of the people of Kosovo.

Berisha Discusses Domestic, International Issues

93P20074A Skopje FLAKA E VELLAZERIMIT in Albanian 30 Dec 92 pp 7-9

[Interview with Albanian President Sali Berisha by Mahi Nesimi, Ramadan Beqiri, and Bujar Skenda in Tirana on 24 December 1992: "Democracy Is Human Dignity"]

[Text]*Albania called him the man of hope. He was one of the first and most vociferous Albanians who dared to exercise the "right to think differently," to express his opinion at the time of the great conflicts between infamy and the new democratic winds of change. A well-known physician and now the president of the country, Sali Berisha is the symbol of postcommunist Albanian democracy. His wife, Liri Berisha, is a pediatrician who works in Tirana. His daughter, Argita, is a first-year student in the Juridical Faculty of Tirana University, and his son, Shkelzeni, is an eighth-grade student. Recently, he accepted, with pleasure, the invitation to give this interview to FLAKA E VELLAZERIMIT, in which he speaks extensively about the concerns of Albania and of Albanians in general, while presenting his views on possible developments in the country, the Balkans, and beyond.*

[FLAKA E VELLAZERIMIT] Mr. President, the Republic of Albania differs from the People's Socialist

Republic of Albania in many ways. In your opinion, what are the main differences?

[Berisha] I think that present-day Albania differs from yesterday's Albania in those characteristics that distinguish a democracy from a dictatorship. Yesterday's Albania was a dictatorship, a model of a communist dictatorship par excellence, while present-day Albania is trying by all means to construct a law-governed state based on full respect for human rights and freedoms, the market economy, and free initiative.

[FLAKA E VELLAZERIMIT] Our readers are interested in your position before political pluralism.

[Berisha] My position before political pluralism was the position of an intellectual, a physician very much devoted to his profession. As is known, I was a member of the Albanian Workers Party, but I had voluntarily decided to leave the party. Before pluralism, I was involved in a number of things, activities, and writings that showed my open opposition to the regime and the dictatorship.

[FLAKA E VELLAZERIMIT] It was rather strange that one of the first people who were courageous enough to speak publicly about the absolute necessity for changes and of the future of the country was an intellectual from your profession. What was the position of intellectuals during the time of Enver [Hoxha] and during the time of Ramiz [Alia]?

[Berisha] I don't think that there was anything strange about my attitude and position because my position was in accord with the position of hundreds and thousands of people who, in all times, have decided to carry out a coup. My attitude was related to my determination to overthrow an occupier, which I considered communism to be.

[FLAKA E VELLAZERIMIT] They say that after your articles in DRITA and BASHKIMI there were many comments from the top of the one-party pyramid. How true is this?

[Berisha] The truth is that after I made my decision I did not have any kind of anxiety. I only wanted to be undisturbed on the road that I had chosen, and nothing more. There were many comments but they did not bother me and I ignored them.

[FLAKA E VELLAZERIMIT] In the meeting of intellectuals with Ramiz Alia, you were especially concerned about freedom of information and free expression of opinion. Do you think that there is free expression of opinion in Albania today?

[Berisha] I think that freedom of speech and of opinion are completely and totally guaranteed in Albania today. I emphasize that today, in Albania, there is a certain misuse of the freedom to express opinions. Unfortunately, the Albanian press, especially the party press, is filled with the terms and style of the old press, but I have stressed and still stress that this is a period of transition and of the rescuing of the minds of individuals from toxic vocabulary, that is, from the old vocabulary, which was imposed by the dictatorship.

[FLAKA E VELLAZERIMIT] What are the chances that this will disappear?

[Berisha] I am convinced that this is a transitional period and that many of the journalists who have used these phrases have just now begun to be silent. They have begun to understand that they have acted erroneously and that others will understand and that the Albanian press will, so to speak, fall into a profoundly democratic line. I can tell them something: Freedom and democracy are signs of true freedom of the press. There is freedom of ownership and there is freedom of belief and, above all, there is human dignity. Those who forget the fact that democracy is true human dignity misuse democacy and do not understand it.

[FLAKA E VELLAZERIMIT] You were very upset when Ismail Kadare sought asylum in France.

[Berisha] There was a lot of pressure on me when Ismail left Albania because the very slow reform that had begun was too painful for everybody, myself included.

[FLAKA E VELLAZERIMIT] A few days ago, you issued a decree proclaiming 9 December "Albanian Youth Day." Is this Youth Day or Democracy Day?

[Berisha] The youth suggested that I call it Youth Day but I would call it Democracy Day. I agree with you but I satisfied the request of the proposers.

[FLAKA E VELLAZERIMIT] In the 31 March 1991 elections, you won in the cities but not in the villages. Was it or wasn't it the fault of the Democratic Party?

[Berisha] I think that since it had been in existence only three and one-half months, the Democratic Party was not able to prepare the majority of the Albanian electorate to vote for it.

[FLAKA E VELLAZERIMIT] In the first multiparty parliament, the Democratic Party operated as a constructive opposition. The stability government was formed as a result of this attitude. Was this government necessary?

[Berisha] Personally, despite the criticism addressed to me because of this decision, I believe that this was the right decision because we were able to avoid bloodshed by this means. The impatience of the people and the absoluteness of the oppressors were very great at that time. Clashes which would have been a disaster and not a success for democracy might have occurred. The creation of the stability government and then pulling out of it, perhaps a little late, was an extraordinarily successful step.

[FLAKA E VELLAZERIMIT] However, the economic situation of the people of Albania did not improve. Why?

[Berisha] The creation of this government had two aims. The first was to stop the bloodshed; the second had to do with the fact that all the doors of Europe were closed to the communist government. We made our move to give it credibility, but instead of proceeding with reform, it proceeded with corruption.

[FLAKA E VELLAZERIMIT] It was declared from the podium of the first assembly of the Democratic Party that the most suitable moment had to be found to hold new elections. Do you think that 22 March was the appropriate moment?

[Berisha] History has proven that it was most appropriate.

[FLAKA E VELLAZERIMIT] That infamous night of the meeting of the government has remained indelible in the memory of the people of Albania. What happened on that night which some called "a historic night" or "a bloody night" and what about the threats that "there is only enough bread for six days"?

[Berisha] It was a trap, planned, I think, in this office (the office of the president of Albania—editor's note) in order to make me responsible for the crisis, in the eyes of all the Albanians. I think that all the people, especially the television viewers, saw that this was a meeting of the type of the Albanian Workers Party grass-roots organization where there was an effort to present the Democratic Party as a destabilizing force. I tried to convince the television viewers of the correctness of the decision of the Democratic Party to determine the real responsibility for the drama which Albania was experiencing. I did not know, because they did not tell me, and therefore it was a trap. They said to me: "Come and we will discuss and resolve the problem." So I went and ran into the camera. When I saw the cameras, I stopped for a minute and then I said: "Good, these will work for me as well as for them." That's what I said (he says with a smile).

[FLAKA E VELLAZERIMIT] On 23 March, Albania voted for democracy. What is the situation today?

[Berisha] Albania and all the other East European countries are democratic societies and postdictatorial societies, at the same time.

[FLAKA E VELLAZERIMIT] Albania is currently a member of almost all the international economic institutions. How has this membership improved its economic position?

[Berisha] Membership in international organizations, the democratic countries in Europe, and the United States have all helped Albania very much. There is no doubt about the fact that there has been a change in the economic situation during the past months in the area of the improvement of life, especially in the countryside where most of the people live. Production has increased by 20 percent. However, if we include some imports, we can conclude that, for the first time, Albania has begun to be judged on the basis of the same criteria as the developed European states. For example, about 18,000-20,000 taxicabs have been brought into Albania during 1992—which was impossible before. The value of imported electrical appliances in the country was more than $100 million. Therefore, Albania has gradual economic growth but it has difficulties in this area because the location of Albania in a high danger zone discourages foreign investors.

[FLAKA E VELLAZERIMIT] Present-day Albanian diplomacy has attracted the attention of many people because of its dynamism. What are some of the successes in the international sphere?

[Berisha] Albanian diplomacy and policy aim at superseding the deep-rooted results of the isolation, the integration of Albania in world processes, guaranteeing the development of democracy in Albania and the resolution of the ethnic Albanian issue in accordance with international principles and documents. Albanian diplomacy is very active and will be active in the process of conflict prevention and peaceful resolution of conflicts in the Balkans. I believe that it is the duty of Albanian diplomacy to prevent war, in coordination with the policy of democratic circles in the Balkan countries.

[FLAKA E VELLAZERIMIT] What about the rumor that the participation and membership of Albania in the Islamic Conference will make Europe jealous and perhaps someday Europe will abandon Albania?

[Berisha] This is an idea that is based on intolerance. First, because Europe does not have any isolationist ideas. Second, because Albania's membership in the Islamic Conference has its source in the actual situation in Albania. A policy must take reality into account. Those who do not take reality into account become philosophers or political adventurers and not accurate policy makers. Third, because I believe that each step that accelerates Albania's economic development brings Albania closer to Europe and never moves it further away from Europe. If you look at Albania today, it differs from Europe in its economic level, but, in regard to the level of its culture and civilization, it is a thousand-year-old civilization, one of the cradles of European civilization. Therefore, it is unimaginable to believe that the rapid economic development of Albania would break its links with Europe. On the contrary, it will strengthen them. I consider this a very important step.

[FLAKA E VELLAZERIMIT] You have visited many countries and institutions which form the nucleus of world democracy. How have you been able to integrate the country into these milieus?

[Berisha] Everywhere I went I tried to present another image of Albania, the real picture, and of the Albanian political forces which have emerged from a dark and difficult night and which are now trying to integrate Albania and to build an Albania based on those universal values and principles on which democratic societies in developed countries are based.

[FLAKA E VELLAZERIMIT] Are your recent visit to Brussels and your meeting with [NATO Secretary General] Manfred Woerner indications of a new role for Albania in the Balkans?

[Berisha] They are not indications of a new role but they are signs of a stabilizing role. Albania must play and will play a stabilizing role. In our view, all the international organizations which are set up on the bases and values to which we are adapting ourselves today must be prepared for and open to these values.

[FLAKA E VELLAZERIMIT] Today all Albanians are looking toward Albania. How is Albania able to satisfy their aspirations?

[Berisha] I think that, today, we have been looking and should be looking toward democracy. It is extraordinarily important that we, where we live and work, struggle for a democratic society. It is very important, at the same time, that Albanians look for security, in the sense that they can contribute to accelerating its development. It is also important that Albania adopt legislation which will truly transform Albania into a temple for all Albanians.

[FLAKA E VELLAZERIMIT] You defend the cause of Kosovo with determination, devotion, and tirelessness, which has not been the case in the past 50 years. Where do you find the inspiration for this?

[Berisha] I have no difficulty in finding inspiration for this because the ethnic issue is, certainly, a basic issue. But, naturally, I must express deep gratitude to the political forces in Kosovo, which, with wisdom, tolerance, and patience, remain steadfast in their demands, without falling victim to provocations. It is to their credit that they established a dialogue with all the residents there because it is essential that a climate of trust be created among the residents of Kosovo. This is to the credit of the majority because where Albanians are in the majority they should not intimidate the minority.

[FLAKA E VELLAZERIMIT] The situation in the Balkans is very tense. This is a result, first of all, of the current situations in Bosnia and Kosovo.

[Berisha] It is true that the situation is very tense, but, on the other hand, it would be a disaster for all democratic forces if they are not able to localize the conflict and if they fall victim to Milosevic's policy.

[FLAKA E VELLAZERIMIT] You support the position of Ibrahim Rugova on an independent and neutral Kosovo.

[Berisha] At the present time, I think that the key issue for Rugova, for Gligorov, for me, and for everybody, is, first of all, to prevent a conflict in Kosovo. This is more important and, after that, I am always in favor of concrete steps. The issue of the status of Kosovo must be resolved in a manner which is acceptable to all forces.

[FLAKA E VELLAZERIMIT] However, there are other opinions in the ranks of the Albanian political forces.

[Berisha] This is completely normal, but these opinions must be based on reality.

[FLAKA E VELLAZERIMIT] At a press conference, you said: "I hope that Milosevic does not win." Unfortunately or fortunately, he won.

[Berisha] Milosevic's victory has not been fortunate for the Serbian people and for the whole region. I am sure that these results do not express the true opinion and desire of the Serbs and of the democratic forces of Serbia. The elections were carried out in an atmosphere of fear and terror, under the psychosis of war which Milosevic fostered. This victory is not deserved.

[FLAKA E VELLAZERIMIT] The possible opening of the "southern front" would disturb the entire Balkans. What would Albania's role be in this event?

[Berisha] If a "southern front" is opened, the role of Albania would be viewed in the framework of the role of the international community. If Milosevic opens the "southern front," I am sure that this will receive a response not only from Albania but also from the international community.

[FLAKA E VELLAZERIMIT] Albania has good relations with the Republic of Macedonia, so why hasn't it been accepted? What are the reasons for this attitude?

[Berisha] First, let us start with the statement that Albania is trying to have a policy of friendship and collaboration with all its neighbors. Second, in Macedonia, there is a very large Albanian population, which is a very important factor for good relations and cooperation with Macedonia. Third, we believe that the independence of Macedonia is important in avoiding a Balkan conflict.

[FLAKA E VELLAZERIMIT] Several times, you have praised the constructive role of the Albanian political parties in Macedonia.

[Berisha] I think that this constructive role is worthy of praise because it is healthy. I have followed with interest the attitudes of political forces, deputies, and ministers participating in the government, and this attitude is completely in accord with the interests of the Albanian people in Macedonia.

[FLAKA E VELLAZERIMIT] However, the Albanians in Macedonia have not yet been given what is due to them.

[Berisha] The government and the authorities in Macedonia have taken some steps in the direction of the improvement of the rights of the Albanians. We should mention that they agreed to a general registration of the population. You know very well that the previous governments concealed statistics. Therefore, this shows a desire and a readiness for openness. The Albanians must

be patient because if they seek to obtain, from a government which is not yet recognized, all their desires which have been accumulating over half a century, this will be impossible to realize. Albanians must be realistic in their attitude. Failure to register for the army and the police is a self-defeating and absurd policy. No progress is made with old prejudices or with hatred or hostility.

[FLAKA E VELLAZERIMIT] You have promised to open a university for Albanians in Macedonia, in Skopje.

[Berisha] Yes, and I think this is very necessary. I have insisted and I will continue to insist that this project be gradually carried out. However, in this area, I must make some comments about the attitude of Albanians toward education and, especially, the education of women. Why don't the girls go to school? To whose advantage is it? Does it help integration into social processes and the ethnic issue? Absolutely not. In this area, you newsmen have the duty to criticize these things and make your own contribution.

[FLAKA E VELLAZERIMIT] You met Gligorov for the first time in Tirana and for the second time in Pogradec and Ohrid. Where will the third meeting be?

[Berisha] We will meet again.

[FLAKA E VELLAZERIMIT] And now, Mr. President, let us change the subject of our talk so that our readers can learn more about you.

[Berisha] I am ready to satisfy your desire.

[FLAKA E VELLAZERIMIT] How does Dr. Berisha feel inside President Sali Berisha?

[Berisha] I do not know what to tell you. The doctor has retired and I am continuing a job that has nothing to do with medicine.

[FLAKA E VELLAZERIMIT] You continue to live in your old house, like every citizen, without an office. Do you devote your free time to your family or does official business follow you when you are with your family?

[Berisha] Actually, I do not have any free time.

[FLAKA E VELLAZERIMIT] Have your family friends increased or decreased?

[Berisha] On the whole, they have increased, and the ones I had before have remained, by request.

[FLAKA E VELLAZERIMIT] Mr. President, would you like to tell us what your salary is?

[Berisha] My salary is 100,000 old leks, which is equivalent to 10,000 new leks. (The official rate of exchange at the time of the conversation was 93 leks to a dollar, and the black-market rate was 100 leks to a dollar—editor's note.)

[FLAKA E VELLAZERIMIT] Where will you spend New Year's Eve?

[Berisha] I haven't decided yet where I will spend it. I think I will be at home, with my family, but I do not know ! haven't decided yet.

[FLAKA E VELLAZERIMIT] Have you been disillusioned with anyone whom you considered to be an ally in December 1990 and later?

[Berisha] I consider people to be free in their choices, so I am not greatly disillusioned if they make different choices.

[FLAKA E VELLAZERIMIT] Are you bitter if some of your colleagues fall into the clutches of self-interest, corruption, and so forth?

[Berisha] Sometimes, the absurdity of their attitude amazes me. Nevertheless, in light of the fact that one of the four main passions of human beings is power, I consider them to be blinded by self-interest.

[FLAKA E VELLAZERIMIT] Mr. President, recently Albania was confronted with a number of strikes. What are the causes of such an atmosphere?

[Berisha] I can state that Albania has indisputable political stability and that the causes of this strike in Bulqize, unfortunately, are economic. There is no doubt that there is poverty but, unfortunately, there is also manipulation. Yesterday, 23 December, I told the trade union members at a meeting that I could support their legitimate demands but it is not realistic to demand that Albanian miners be paid two-thirds of the wages of European miners. This will happen when Albania comes close to Europe in development.

[FLAKA E VELLAZERIMIT] They say that we Albanians are "five sheep and rams with six bells."

[Berisha] I do not believe this. I support the idea that there must be order in all nations. Albanians are among the nations with the most solidarity. There is very high solidarity.

[FLAKA E VELLAZERIMIT] We have a saying: two Albanians—three parties.

[Berisha] No, I do not understand it this way, because if we look at the Balkans, other nationalities have three or four times as many political parties as we do.

[FLAKA E VELLAZERIMIT] The possibility of a parliamentary crisis and of compulsory new elections is being talked about.

[Berisha] This is only an illusion in the minds of some self-seeking groups because they cannot bring it about in an absolute manner. Anyone who wants to leave can leave the parliament tomorrow, but, in the 22 March elections, the Albanian people gave a great majority to the Democratic Party, which permits the party to complete its four-year term with honor. They are simply groups or elements blinded by self-interest who think that they can create a parliamentary crisis by their

departure. They do not understand that they are only condemning themselves by their departure and that it does not matter to Albania.

[FLAKA E VELLAZERIMIT] What will a parliamentary crisis mean for Albania and for the all-Albanian nationality issue?

[Berisha] I think that Albania is in no danger of a parliamentary crisis. If self-seeking groups intend to leave the parliament, they really will not prevent it from functioning. The parliament will suffer a crisis only if it loses one-half of its members.

[FLAKA E VELLAZERIMIT] In our opinion, there is the idea that there have been unnecessary dismissals of cadres since the Democratic Party came into power.

[Berisha] I can say only one thing: a political force that comes into power without dossiers, without creating personnel files—in a noncontroversial manner, of course—makes a mistake. However, if you take into consideration the fact that all political forces which come into power renovate the entire political administrative apparatus from the directors up, then I think that the Democratic Party has not acted improperly in this area. It is true that there are people who say that mistakes have been made and that might be true in some cases. But there are others who say that many unsuitable people have remained in their jobs.

[FLAKA E VELLAZERIMIT] At present, there are more than 250,000 workers on social assistance in Albania. Do you think that this number will be reduced when the investments begin to take effect?

[Berisha] Of course this number will be reduced. This number is not correct. The figure is a little lower. There are not so many on assistance.

[FLAKA E VELLAZERIMIT] Mr. President, Albanians outside Albania and in the diaspora are interested in helping Albania. You have made it possible for them to be given Albanian citizenship, that is, dual citizenship. How will this help both parties involved?

[Berisha] I believe that this is an act that puts Albanians on an equal basis in relation to Albania. I would like to stress that this act is aimed more at Albanians in the diaspora than it is at Albanians residing in their own land. Because the latter are living in their own lands. This is the way the law should be interpreted. Not that the latter category of Albanians cannot have Albanian citizenship but this act is aimed at those who do not have their own lands. The aim is not to place obligations upon them but to make them equal, here, with the others.

[FLAKA E VELLAZERIMIT] Albanians across the border still pay visa fees to Albanian customs when they come into the country. Is this normal and how long will it continue?

[Berisha] It is an absurdity. It is an absurd attitude of Albanian customs which will be corrected soon.

[FLAKA E VELLAZERIMIT] Would you say something about the future of Albanians and of Albania at the end of the century?

[Berisha] I see the future of Albania and of Albanians with much optimism. For the first time, Albanians have a democratic state that is being consolidated. Today, Albanians who live in Kosovo must know that Kosovo has become an international issue. Now, it is an issue affecting not only Albanians but all of Europe, all the European mechanisms, and beyond. I think that the efforts of all Albanians to achieve a free and democratic society have not been in vain and will not be in vain.

[FLAKA E VELLAZERIMIT] What is your New Year's message for Albanians?

[Berisha] My New Year's message for Albanians is my wish for a happy new year, a rich year, a year in freedom, a year with democracy. Best wishes to all.

Berisha Praises Historical Figure

AU1901170093 Tirana ATA in English 0920 GMT 18 Jan 93

["Scanderbeg Is the Most Brilliant Figure of Albanian History at All Times"—Address of President Sali Berisha at the Official Dinner in Kruje—ATA headline]

[Text] Tirana, January 18 (ATA)—It is good of us to begin the year by commemorating Scanderbeg, who no doubt is the most brilliant figure of the Albanian history at all times. But Scanderbeg's splendour does not lie only in his military genius, the great battles he fought. Scanderbeg's splendour lies in the great message he left to the Albanians, a message which no doubt is and will be a source of hope, optimism for the Albanians at all times. Scanderbeg left them as a heritage in the first place courage, and the Albanians' courage is not groundless, it lies in the mere fact that they are a people who know how to arouse hopes, and those who do this are capable to build the present and future.

Currently we start a hard year, but it is a year which will surely lead us to vast horisons, levels and achievements. The truth is that the Albanian issue is in a crossroad. We face very great problems, but the Albanian issue is on a correct road, it is heading to its solution, because the Albanians are determined to fight for democracy, to settle their issue according to those principles, those values on which are built the entire European society.

Scanderbeg was a great fighter of freedom, of alliances and agreements, a man who abided by them. The Albanians, too, are loyal to their agreements, they fully abide by those principles which they have signed and pledged.

There are currently different opinions for the solution of the Albanian issue and it is quite normal. Naturally the Albanian issue will be solved only abiding by those principles of universal values for the whole Europe.

The Albanians have been and are wise and this is one of the other sources of our optimism and courage. It is a fact that the Albanians powerfully support the reform although under very difficult conditions and turn a deaf ear to a group of elements who apparently seem to represent political forces but in reality they do not present political forces. A proof to this is that the Albanians, irrespective of party belonging, generally speaking support the reform, support the principles of democracy, are partners of a democratic Albania and this does and will do them tomorrow, too. Whereas those elements, who have degrees, who remind one of Albania's fight against U.S. imperialism, Soviet social imperialism, and capitalist world, take advantage of the same degrees to destroy Albanian capitalism.

Albania will certainly establish a democratic society, the Albanians the world over are wise to fight for a democratic society. The one who does not fight for a democratic society, or to ignore it means he does not understand democracy, democracy is a vast area. Democracy has great principles. These principles have settled the issues of other peoples and they will also settle the issues of the Albanians. The Albanians in a democratic society will be united, will be able to realize their national and human ideals.

Presidential Spokesman Comments on Daily Article

AU2001182793 Tirana ATA in English 0911 GMT 20 Jan 93

[Text] Tirana, January 20 (ATA)—Asked to comment the article by Rexhep Qose issued in the newspaper ZERI I POPULLIT, the spokesman of the president of the republic said:

Rexhep Qosja and every Albanian intellectual are free to air their views on the Albanian issue. Just as for every other issue the diversity of views must be a stable constant for this issue too. In regard to this writing I want to explain as follows:

1. The Kosovo problem should in no way be solved by means of terroristic acts as the author suggests, by evoking the socalled revolutionary movements which conduct terroristic activity based on the Marxist-Leninist platforms in different parts of Europe. In our opinion, terroristic methods practised by Basque, Irish, or Corsican movements not only have not contributed to the solution of these issues, but have had a different effect. The great success of the movement in Kosovo was no doubt owing to the civic and nonterroristic means and methods employed by it. We hope this might have been a moment of despair for Mr. Qose and are sure that the Albanians in former Yugoslavia will carry on their endeavours for human and national rights, firmly abiding by the great principles of Helsinki, because the just cause of the Albanians can be fully solved in this context.

2. I will not analyse the writing because regarding the items forwarded in it, the author unfortunately has speculated by omitting clauses or words in a sentence, devoiding them of their meaning in paragraph. This gave the writing a marked speculative character. On this occasion I would like to stress:

a) In his address to and replies before the Council of North Atlantic, as well as in his interview after his return home and even before, during his visit to Germany, Austria, and in the interview after the visit to these countries, the president of the republic stressed that the notion Greater Albania is currently an invention of big Serb propaganda by means of which Milosevic tries to justify, legalize the policy of violence and terror for the creation of Big Serbia. No doubt the serious Albanian political forces do not support this idea. We stress that it seems absurd to think that the wise Albanians will support the idea of Big Albania so clamorously advertised by the Serb chauvinistic and North Epirote circles, trying to seriously harm the solution of the Albanian issue. We suggest the author not to fall in such traps. Nevertheless he is free to make his own choice.

b) In regard to the problem of the borders too, the president of the republic and all the serious Albanian political forces uphold that Albania should unhesitatingly abide by the Final Act of Helsinki and other documents, which do not allow the violent change of border. Different opinions in this regard, that is those suggesting violence, not only would not work, but they would legalize the violence and aggression far and wide the Balkan peninsula, which would be a real Albanian and Balkan tragedy. So far it is only the Serb leadership and the political forces lurking behind it that wish such a thing.

In closing we should reiterate that the cause of the Albanians in former Yugoslavia cannot be solved by means of terrorism, Marxist type lectures, speculation, romanticism. It can be attained by adopting a realistic attitude to the situation and by following a stable and realistic policy, by coordinating the efforts of the Albanian political forces with the international community, by adhering to the principles of Helsinki and the UN Charter, which value as inviolable the human and national rights of the peoples in their homeland.

Cabinet Approves Farmers' Social Insurance Bill

AU1901154193 Tirana ATA in English 0913 GMT 19 Jan 93

[Text] Tirana, January 19 (ATA)—Draft laws and draft decisions favouring the application of the economic reform in Albania were in the focus of the meeting of the Council of Ministers of January 18.

The meeting was chaired by the Premier Meksi. The ministers adopted the draft decision on the criteria of calculating of private farmers for social insurances. According to it, the private farmer, in partnership or organized in agricultural collectives, benefits insurances

for the pregnancy and delivery, takes compensation after delivery and expenditures for burial, pension of old age, family invalidity pension. They are obliged to pay a 15 percent annual amount over the fixed annual payment.

The meeting discussed also the reduction of the administration staff for 1993. They agreed in principle for 5 percent reduction of the budgetary staff and 10 percent in the ministries.

At the end of the meeting, the government members discussed, expressed their opinions, and made proposals on the change of the Law on Taxes and Levies. They stressed that one of the measures to increase the budget incomes of the state for 1993 will also be the increase of customs' taxes and tariffs. Changes to the existing law will be defined in this regard.

Border Police Chief Views Control Measures

AU1901162693 Tirana ATA in English 1123 GMT 18 Jan 93

[Text] Tirana, January 18 (ATA)—As reported, 12 Albanians who sailed with a Greek fishing boat from Sarande sea port, met death in the coasts of Puglia. Taking advantage of this painful event, Adriatik Hoxha, chief of the border police at the Durres sea port, briefed the ATA reporter on the measures taken to prevent the illicit crossing of the border. Recently there was established strict order in the port in regard to the control of documents of the persons who get into and out of the regular ferryboats and for controlling the fishing boats before sailing for abroad.

The staff of this police did an intensive work particularly beginning with December 15, where two ferryboats a day entered the sea port carrying 700 persons each. Over the last two weeks alone, the border police noticed 10 falsified passports of Albanian nationals who wanted to go to Italy. Some 15 persons too were not let to go owing to the lack of documents. Recently the police caught persons who, taking advantage of the crowds of people, intended to hide in lorries and motor cars and get on the ferryboat without the documents.

Priority has been given to the control of ships of the navy and fishing boats before they set sail. Some time ago there were detained 39 persons, who were hidden in the environments of Dajti Ship to illicitly cross the border to Italy. On December 17 there were caught 14 persons in the fishing boat Abdulla Teku, who in order to go to Italy, had provided the crew with 2 million liras each. The police official expressed his embarrassment. Over the fact that Albania lacks the law existing in the other countries, according to which the police blocks the ships which launch such actions. This would make responsible the enterprises, owners of the ships, as it would bring about a great loss to them.

Work Resumes at Ballsh Oil Processing Plant

AU2001182193 Tirana ATA in English 0922 GMT 20 Jan 93

[Text] Tirana, January 20 (ATA)—The department of the Deep Oil Processing Plant in Ballsh reported that on January 18, all the workers of this plant were registered for the beginning of the work. On January 19 they were present in their work places making the plant ready for a normal work.

Miners' Trade Union Condemns Strike, Airs Concerns

AU2001181493 Tirana ATA in English 1104 GMT 20 Jan 93

[Text] Tirana, January 20 (ATA)—The meeting of the independent miners, geologists, and enrichers of the district was held in the town of Bulqize on January 18. Attending it were representatives of the Independent Trade Unions of Bulqize and the chairman of the Union of Independent Trade Unions of Albania, Valer Xheka. All those who took the floor in the meeting powerfully denounced some anarchist trade union chieftains who through deceit and with the absurd demand of 75 percent of the payment of the European miner carried the miners' trade union into a blind ally and in an absurd strike. These actions, they underlined, are with consequences not only for the economy but for the trade union itself. Still there are many problems to be solved in Bulqize, such as that of the treatment of the workers, their transportation, housing questions, which according to the speakers in the meeting, the administration should solve as soon as possible.

The representatives of the trade unions unanimously stressed that despite the latest events, the Trade Union of Bulqize will remain an independent and democratic trade union, uncompromised by any political force and which will fight for the interests of the working people according to the democratic legislation. They also decided the creation of the independent trade union of chromes for all Albania. At the end elections were made.

Berisha, World Bank Mission Discuss Reform

AU1901154093 Tirana ATA in English 0909 GMT 19 Jan 93

[Text] Tirana, January 19 (ATA)—The president of the Republic Sali Berisha had a meeting with the mission of the World Bank that has come to help the Albanian Government in the preparations for the new stage of the economic reform.

The experts of the World Bank stressed that they were satisfied with the results of the first stage of the reform in general and the work carried out by the Meksi government. They said that the control of inflation, the index of prices 1.3 for December, the free initiative are among most evident results of the reform in Albania. These achievements are a clear testimony showing that the

process of the transformation of the Albanian economy has started and it is able to absorb economic aid. The World Bank experts presented to President Berisha their opinions for the increase of investments in the coming months.

After expressing his thanks to the experts of the World Bank for the great help this international institution and other institutions have rendered to Albania for the reform, President Berisha voiced the resolution of Albania to follow the road of the economic reform. In this aspect, he continued, we are much encouraged not only by the great aid of the international institutions and community but also by the fact that reform in Albania has found a wide support and consensus.

Most of the Albanian citizens consider the market economy as the only road, therefore they support it despite their parts convictions. While the discouraging and antireformist propaganda is a destructive act of some Albanian incorrigible Marxist-Leninists, who after they attacked for half a century world capitalism like Don Quixote, are now fighting Albanian capitalism with the same concepts. But these elements are few, although they pretend to represent political forces. In reality they reflect their career-seeking ambitions, the feverish will for power. Xenophobe and antireformists, these individuals attack the government of Meksi on the basis of totalitarian schemes, but the people are convinced that Meksi cabinet is a government of success, which in difficulty and great shortages took over an extreme burden which it is bearing successfully. Therefore, I am convinced, Mr. Berisha said, that just like the first stage of the reform has been successfully carried out, this government, with a great support both at home and abroad, will also carry out the new stage of the reform in Albania.

Private Trade Activity Increasing in Tirana

AU2001181793 Tirana ATA in English 1110 GMT 20 Jan 93

[Text] Tirana, January 20 (ATA)—The private sector is expanding with each passing day in the context of the trade activity actually conducted in Tirana. At the same time, the state sector is being reduced and its activity includes other spheres of trade, such as the trade units of bread, pharmacies, book shops, or the trade units of fuel. Over 8,325 private trade units have been functioning in the capital until late. The free market is also animated and now there are three of such markets according to the articles traded there, such as that for industrial articles, electric house appliances, and others. Averagely, 1,200 people sell everyday in the free market. The great proportion of the development of free trade has laid the need of adopting some measures and preparing a perspective plan to control the increase of the activity.

Hoxha Trial To Resume 21 January

AU2101115693 Paris AFP in English 1156 GMT 21 Jan 93

[Text] Tirana, Jan 21 (AFP)—The trial for embezzlement of Nexhmije Hoxha, 72, widow of communist Albania's founder Enver Hoxha, resumed here on Thursday [21 January] after a week's break with the prosecution calling for a 14-year jail sentence against her.

The charges of embezzling public funds, corruption and abuse of power could have entailed a death sentence.

The prosecution asked for a nine-year term against codefendant Kino Buxheli, 39, who headed a service catering for the personal needs of the communist leadership headed by Enver Hoxha from 1946 until his death in 1985.

His widow and Buxheli deny charges that between 1986 and 1990, the service Buxheli ran siphoned off $76,400 from public funds to spend on the Hoxha family. The sum involved would cover an average Albanian salary for 300 years.

The trial is the first of its kind since the fall of communism last March.

Several former top communists have given evidence, including Enver Hoxha's right hand man Ramiz Alia, who succeeded to the leadership when Hoxha died. Alia, 66, is under house arrest here awaiting trial.

Zhelev Congratulates Clinton on Inauguration

AU2001204293 Sofia BTA in English 1936 GMT 20 Jan 93

[Text] Sofia, January 20 (BTA)—Bulgarian President Zhelyu Zhelev today congratulated U.S. President Bill Clinton on his inauguration.

"Your team's initiatives for a new tax policy, affordable health care and education, and better understanding between different races and ethnic groups have generated considerable interest in Bulgaria," says the Bulgarian president's telegram received at BTA. President Zhelev says he is convinced that the promotion of good relations between the two countries will continue. He believes that during the Clinton mandate the U.S. will meet the world challenges. The entire economic and political atmosphere in the world needs a positive change, Dr. Zhelev stresses. According to the Bulgarian president, this is particularly tangible in the Balkans "which are witnessing a barbarous, terrifying war."

Berov, U.S. Envoy Discuss Balkans Issues

AU2001081893 Sofia BTA in English 2130 GMT 19 Jan 93

["Today"—BTA headline]

[Excerpt] Sofia, January 19 (BTA)—The Bulgarian prime minister, Prof. Lyuben Berov today received the U.S. ambassador to this country, Mr. Hugh Kenneth Hill, at the latter's request. The sides discussed Balkan affairs, Macedonia's fate and the losses which Bulgaria sustains as a result of the observance of the UN sanctions against new Yugoslavia. According to Prof. Berov, these losses amount to over 1,000 million U.S. dollars. Mr. Hill said that the United States would support Bulgaria's demand for compensations before the UN Sanctions Committee. According to him, Bulgaria observes the implementation of the UN sanctions. The Bulgarian Government is making efforts to reach an agreement and sign a declaration with Greece, Turkey and Romania, that these countries would not allow Macedonia's partition, Prime Minister Lyuben Berov stressed. Mr. Hugh Kenneth Hill assessed Bulgaria's position as honest and responsible. [passage omitted]

IMF Mission Continues Visit, Negotiations

Meets Prime Minister Berov

AU1901144493 Sofia BTA in English 1405 GMT 19 Jan 93

[Text] Sofia, January 19 (BTA)—The Prime Minister Prof. Lyuben Berov today received the International Monetary Fund (IMF) mission leader for Bulgaria Mr. Annoup Singh. The meeting was attended by the World Bank resident representative to Bulgaria Mr. John Wilton and Mr. Russel Kinkeith, the future IMF mission leader for Bulgaria who arrived here yesterday.

The government Press Office said that Mr. Singh handed the prime minister a document containing an analysis of his meetings within this mission and expressed the view that inflation in Bulgaria should not exceed 80 per cent. Inflation should not be allowed to go out of control. The money needed to fill the public purse, say, for the payment of pensions, could be raised by taxing street vendours and fruit-machine operators and by raising the excise duty on petrol.

Prof. Berov said that the government's policy in this direction would be a sensible balance between the requirements of the budget and the maintenance of social peace.

The sides stressed the need to settle Bulgaria's foreign debt problems in 1993.

After the meeting, Mr. Singh told the press that there will be talk of a new agreement after the end of March, when the IMF receives Bulgaria's new letter of intent. Before the expiration of the effective stand-by arrangement, IMF and Bulgaria will probably sign a six-month agreement. The fund's representative did not say categorically whether the SDR [special drawing rights] 31 million last tranche of the 1992 arrangement will be released. According to Mr. Singh, this will depend on whether the government would keep up the line committed to the IMF policy. Mr. Singh said he was optimistic that the new cabinet's line would be precisely this.

The IMF mission today continued their talks with Finance Minister Stoyan Aleksandrov and National Bank Governor Todor Vulchev.

'Progress' in Talks Reported

AU1901190993 Sofia BTA in English 1849 GMT 19 Jan 93

[Text] Sofia, January 19 (BTA)—The IMF mission today continued their talks with Finance Minister Stoyan Aleksandrov and National Bank Governor Todor Vulchev.

"The negotiations are making progress, we will not 'divorce' the International Monetary Fund," National Bank Governor Todor Vulchev told the press after meeting IMF mission leader for Bulgaria Annoup Singh.

"Agreement was reached on interest policy, there will be no drastic changes in it," Prof. Vulchev said. Only several terms remain to be discussed to reach agreement on the growth of the money supply and the credit ceilings. Prof. Vulchev explained that the negotiating partners showed mutual understanding with respect to the desired annual rate of inflation. "We, too, would like a lower rate of inflation than the current one, and we will probably set such a rate—it depends on the other parameters beyond the bank's competence, and that is why we should wait for the results of negotiations with the IMF at the other levels as well," the National Bank governor said.

Delegation Meets President Zhelev

AU2001200693 Sofia BTA in English 1901 GMT 20 Jan 92

[Evgenia Manolova report]

[Text] Sofia, January 20 (BTA)—President Zhelyu Zhelev today received the IMF [International Monetary Fund] representatives, who have been here on a fact-finding mission for a week now. President Zhelev met the future mission leader, Russel Kincaid, who will replace Annoup Singh. John Wilton, World Bank resident representative to Bulgaria, and the president's advisers Boyan Slavenkov and Mariana Todorova also attended the meeting.

Mr. Slavenkov told the press that the discussion focused on the president's role in ensuring political support for the reform in the current period of serious economic difficulties. The sides talked about the president's ability to channel the political energies and turn them into economic energy in the name of speedier reforms. The IMF mission finds that the political crisis in the last few months has delayed the reform. The IMF representatives stressed that budget and income policy restrictions are needed to carry on with the programme drawn up two years ago, at the start of Bulgaria's cooperation with the IMF. There was no discussion on the size of the budget deficit.

Asked about future cooperation between Bulgaria and the IMF, Mr. Slavenkov said: "We have no choice, being a bankrupt country with no access to the international markets. Besides, we have the negotiations with the creditor banks to think of, which will not be successful if we break relations with the IMF."

The IMF mission had two meetings with Deputy Prime Minister Valentin Karabashev today, after which its members described the talks with the government as normal. Mr. Karabashev told the press the subject for discussion was a declaration on the principles of the implementation of the current standby arrangement and the prospects to release its fifth tranche. The sides also discussed problems of taxation, the financial and the land reform, as well as debt servicing. It was stressed that a loan market should be established in Bulgaria, which will be of great help to private farmers.

The IMF mission also met with Ventseslav Dimitrov, chairman of the parliamentary Budget and Finance Committee, and with Finance Ministry representatives. Trade union representatives conferred with the IMF mission, the Confederation of Independent Trade Unions said. The trade unions have pledged they will not increase the rate of inflation by making excessive wage demands. At a news conference tomorrow the IMF representatives will sum up the results of their talks in Bulgaria.

Need for Agreement Stressed

AU2001101293 Sofia KONTINENT in Bulgarian 16-17 Jan 93 p 6

[Chayka Khristova commentary: "Deal Is Not Doomed"]

[Text] The agreement with the International Monetary Fund is a deal. The position adopted by Finance Minister Stoyan Aleksandrov, even if it has been slightly softened, is part of the "bidding," but it does reflect the realities. The growth of the budget deficit is unavoidable, because there are numerous holes in the treasury's pocket. In addition, the government is in fact declaring that it is starting the second, structural stage of the reform. The restrictive monetary policy has exhausted its possibilities.

The government clearly realizes that failure to reach a further agreement with the IMF will affect the country's financial image and rating, which cannot fail to change the correlation of forces as regards the other deal that is of importance for Bulgaria—the agreement on the foreign debt. In any event, the tranches received from the IMF represent the only inflow of credits from abroad.

Naturally, the IMF will also set its own conditions. Some of them have already been stated. It is no accident that the Fund is pressing us to speedily agree and apply the value-added tax. It is clear to the Fund that much of the revenue due is not flowing into the budget. In addition, the IMF will also set conditions relating to credit, interest, and foreign exchange policies.

However, it is unlikely that an agreement will be reached before the end of March, when the previous agreement expires. There is very little time for reaching an agreement. The people on one side of the negotiating table are travelers, while on the other they are new, and intent on starting the new phase of the reform.

Assembly Votes To Strip Lilov of Immunity

AU1901202193 Sofia Khorizont Radio Network in Bulgarian 2000 GMT 19 Jan 93

[Nina Spasova report]

[Text] The National Assembly session ended a few minutes ago. The National Assembly members voted to strip Aleksandur Lilov of his parliamentary immunity and to initiate a criminal procedure against him. However, they voted against the proposal to place him under house arrest.

The deputies of the Bulgarian Socialist Party [BSP] twice contested the results of the vote with the argument that during the vote at the National Assembly hall there were fewer deputies than votes cast by the deputies' electronic voting cards.

After the final result was announced, Nora Ananieva, on behalf of the BSP, described it as shameful for the parliament and stated that the BSP will contest the vote at the Constitutional Court.

BSP Protests Assembly Decision

AU1901211593 Sofia BTA in English 2058 GMT 19 Jan 93

[Text] Sofia, January 19 (BTA)—After 12-hour debates, parliament stripped Mr. Aleksandur Lilov, former leader of the Bulgarian Socialist (ex-Communist) Party, of his MP immunity. The MP's, however, defeated the prosecutor general's request that Mr. Lilov be placed under house arrest.

Prosecutor General Ivan Tatarchev requested that parliament permit the institution of criminal proceedings against Mr. Lilov, who faces charges in a case on the economic catastrophe and the provision of large funds in grant aid to pro-communist Third World regimes. During the period under review (from 1981 till 1983), Mr. Aleksandur Lilov was member of the BCP [Bulgarian Communist Party] top leadership and onetime State Council. The former socialist prime minister, Mr. Andrey Lukanov was stripped of his parliamentary immunity on identical charges seven months ago.

At the beginning of today's debates, Mr. Aleksandur Lilov said that he did not consider himself guilty. He qualified the prosecutor general's motives as "political." Mr. Andrey Lukanov presented identical arguments seven months ago.

The demand to strip Aleksandur Lilov of his MP immunity was put to the vote three times today due to the Socialists' objections to the results. The MP's of the Union of Democratic Forces (SDS) and the ethnic Turks' Movement for Rights and Freedoms (DPS) voted in favour of the prosecutor general's request to strip Aleksandur Lilov of his MP immunity. The Socialists voted against.

During the debates, the SDS MP's pointed out that the aid in question had primarily been granted in the form of arms given to communist parties and pro-communist Third World regimes. Despite the rift within the Union of Democratic Forces, its parliamentary faction voted unanimously today.

According to the BSP leader, Mr. Zhan Videnov, the prosecutor general's request "clearly demonstrated that part of the judiciary is bound up with the SDS upper crust." "Ivan Tatarchev was ordered by those who lost power to keep the parliament, president and newly elected cabinet in check," Mr. Zhan Videnov said. Local observers believe that the solution of the "Lilov case" is linked to the fate of Prof. Berov cabinet, elected on the DPS mandate and supported by the socialist MP's. It seems this was the reason why the DPS first insisted on a special commission of inquiry into the case and later on proposed that the prosecutor general's request be voted in two parts. The DPS voted in favour of the demand to strip Mr. Lilov of his MP immunity but was against his detention under house arrest.

Dailies View Assembly Vote

AU2001102793 Sofia BTA in English 0908 GMT 20 Jan 93

[From BTA review of Sofia press]

[Text] Sofia, January 20 (BTA)—"New majority fails to save Lilov. Three votes strip communist-internationalist of immunity as MP" is the headline in the daily of the Union of Democratic Forces (SDS) DEMOKRATSIYA that informs about the decision to strip Aleksandur Lilov, ex-leader of the Bulgarian Socialist, formerly Communist, Party (BSP) of immunity as MP which parliament made last night after 12-hour-long debates. The paper stresses that now Prosecutor General Ivan Tatarchev can initiate criminal proceedings against Mr. Lilov on charges of having unlawfully endorsed the granting of aid to the communists in Third-World countries at the expense of public funds.

The daily of the Socialists, DUMA, reports on yesterday's parliamentary sitting under the headline "Though Stripped of Immunity Lilov Will Stay in Parliament." According to the publication, the legitimacy of the vote is questionable as there were five "phantoms." "There were five voting cards more than the number of SDS MP's actually present," the paper writes. The Parliamentary Union for Social Democracy (the BSP-led parliamentary coalition) will dispute the decision, referring the matter to the Constitutional Court, DUMA notes.

TRUD covers the parliamentary sitting under the headline "Lilov Lost His Immunity But Not His Freedom." It points out that the BSP MP's and the MP's of the ethnic Turks' Movement for Rights and Freedoms (DPS) voted down the prosecutor general's request for placing Mr. Lilov under house arrest.

The RANNO UTRO yellow paper highlights a publication which says that Aleksandur Lilov and Socialist ex-prime minister Andrey Lukanov (stripped of immunity as MP in connection with the same case Mr. Lilov was) covered up the shady dealings of the former State Committee for Tourism (SCT). The SCT offices abroad had "black money boxes" and "black money banks" set up with public-purse money to service Bulgarian Communist leaders, the paper writes.

According to OTECHESTVEN VESTNIK, "given that Mr. Lilov's stripping of parliamentarian immunity is questionable and that no measure of restraint will be applied, he had good reason to leave the plenary sitting undisturbed." The publication is subtitled "Another socialist hero was born amidst tears and shouts at the National Assembly."

Commenting on Mr. Lilov's stripping of immunity, the dailies pose the question about the fate of Prof. Lyuben

Berov's cabinet formed by using the DPS mandate and elected thanks to the votes of the BSP MP's.

"The SDS failed to overcome its domestic squabbles and made the biggest blunder of the year," OTECHESTVEN VESTNIK notes. Stress is laid on the scandal that broke among the SDS MP's when initially the DPS motion for separate votes on the two components of the prosecutor general's request, to strip Mr. Lilov of MP immunity and to apply a measure of restraint, was defeated. "It became perfectly clear that if Tatarchev's request was put to the vote as one whole, the DPS would either vote against it or would abstain from voting. The absurd plans to place the DPS in the position of a cat in a strange garret and then make political propaganda were easy to detect," the paper says.

Foreign Minister-Designate Declines Appointment

AU1801204793 Sofia BTA in English 1957 GMT 18 Jan 93

["Today" —BTA headline]

[Excerpt] Sofia, January 18 (BTA)—[Passage omitted] Slavi Pashovski, Bulgaria's representative to the UN, today released an open letter, stating his refusal to take the post of foreign minister, proposed to him by Prime Minister Lyuben Berov. Pashovski says he will not reply to libels and discrediting materials against him, spread by the media. This evening Mr. Berov said he could not propose another person at the moment and would act as foreign minister until parliament elects one. There is speculation that Ognyan Pishev, Bulgaria's ambassador to Washington, is a possible candidate. [passage omitted]

Council of Ministers Discusses Privatization

AU1801204993 Sofia BTA in English 1851 GMT 18 Jan 93

[Text] Sofia, January 18 (BTA)—The ministries and the committees with the Council of Ministers should coordinate the branch programmes for the transformation and privatization of enterprises with the Privatization Agency and present their final version to the agency by April 1993, the government decided at today's sitting. The agency's generalized programme for the transformation and privatization of economy should be presented for approval to the government by May 31, 1993.

The Council of Ministers issued a decree on the information which potential buyers of shares and interests in privatizing enterprises must be provided with.

The Council of Ministers approved the agreement between Bulgaria and Lithuania on commercial, economic, scientific and technological cooperation and the protocol signed by the governments of the two countries on the delivery of goods and services and the settlement of payments in 1992.

SDS, BSP Open Regional, Municipal Conferences

AU1601201693 Sofia BTA in English 1941 GMT 16 Jan 93

["Today"—BTA headline]

[Excerpt] Sofia, January 16 (BTA)—Today the biggest political forces—the Union of Democratic Forces (SDS) and the Bulgarian Socialist Party (BSP) opened regional and municipal conferences. The regional SDS conference in Varna is attended by Filip Dimitrov, chairman of the SDS National Coordinating Council. According to the participants in the SDS forums, the unity and stabilization of the SDS parliamentary group is the primary task of the organization at the moment. The participants in the SDS conference in Burgas backed the SDS leadership which had decided to expel the SDS MP's who cast their votes for Prof. Lyuben Berov's cabinet, formed by using the mandate of the Movement for Rights and Freedoms (DPS).

The BSP will support a deideologized, non-political cabinet acting in accordance to a definite programme, BSP leader Zhan Videnov told the BSP municipal conference held in Plovdiv, southern Bulgaria. According to him, there is an ideological discussion in the BSP which will help specify the party programme at the BSP forthcoming congress.

Ex-BSP leader Aleksandur Lilov, whom Prosecutor General Ivan Tatarchev wants stripped of immunity as an MP, is not afraid of a trial and does not agree with the charges made against him. He made a statement to this effect at today's municipal conference of the BSP in the town of Vratsa, northern Bulgaria. The participants supported the demand raised by the socialist MP's for the resignation of the prosecutor general. The Socialists in the Danubian town of Ruse, northeastern Bulgaria, approved a declaration in support of Mr. Lilov and also demanded Mr. Tatarchev's resignation. [passage omitted]

Dissensions Between SDS Group, Council Reported

AU2101125993 Sofia KONTINENT in Bulgarian 18 Jan 93 p 6

[Genka Markova commentary: "Thus Speaks the SDS National Coordinating Council"]

[Text] While some of the mistakes made by the SDS [Union of Democratic Forces] are discussed publicly, other, more important errors are passed over in silence, and this is no accident. One of the mistakes in the last category that has been committed within the coalition is the failure to clarify the state of interrelations between the SDS parliamentary group and the coalition's headquarters at 134 Rakovski Street in Sofia. The SDS deputies screwed up their courage to declare after the

event that ministers in the Filip Dimitrov cabinet demonstrated open disregard toward the parliamentary group.

The SDS National Coordinating Council has committed a number of "sins" in relation to the parliamentary group. These include imposing the decisions adopted by the SDS headquarters as universal dictates and issuing constant reminders to the rank-and-file deputy about the mechanism of the election lists and, where appropriate, the possibility of being expelled from the National Assembly. However, growing numbers of SDS deputies show readiness to defend their positions and express their doubts as to the correctness of the decisions sent down to them by courier from the National Coordinating Council.

A decisive battle lies ahead on this very issue. It will probably begin at the meeting announced for today, 18 January, at 134 Rakovski Street with the SDS deputies who toed the line and voted against the Lyuben Berov government. The results of this meeting will show whether the parliamentary group will be acknowledged to have independent powers and its own sphere of action, or whether the position on the exclusive nature of the SDS headquarters and its decisions will prevail.

Ganev Views SDS Past Mistakes

AU1701180293 Sofia 24 CHASA in Bulgarian 11 Jan 93 p 11

[Interview with Stoyan Ganev, former foreign minister, by Zhana Nikolova; place and date not given: "Affected People Planned To Eliminate Stoyan Ganev by Compromising Plot"]

[Excerpts] [Nikolova] Mr. Ganev, you called the voluntary relinquishing of power the "blunder of the century." According to you, whose interests were behind this blunder? Do you blame the Savov-Dimitrov-Sugarev-Kurtev group?

[Ganev] I do not want to personify things. It is difficult for me to name people at this time. This must be done on the basis of truth and a serious analysis of the processes that developed, rather than on the basis of demagogy. Therefore, I think that a national conference is necessary to analyze all this. We must not simply quarrel at the conference, but mark the road toward our future.

We must know what we should do because we are responsible. We have been elected by hundreds of thousands or millions not to quarrel or blame anyone, but to rule and implement the program of the Union of Democratic Forces [SDS]. At this moment, the basic question must be how to proceed from here, rather than who is to blame.

However, I hope that we will not be like the Bulgarian Communist-Socialist Party, which until today did not answer this question. We will be much more quick in our reaction.

A new formula for the SDS leadership—something we talked about at the meeting of the United Christian Democratic Party—is another necessity for the SDS.

[Nikolova] Does the new formula involve a change in the National Coordinating Council as a leading organ?

[Ganev] The National Coordinating Council is not a presidium or political bureau, but a coordinating council—for example, it coordinates equal partners in the coalition. Therefore, some colleagues said the other day that perhaps for a while the SDS does not need a chairman, but a coordinator—a representative of a certain party who will be periodically replaced on the basis of a rotation. The decisions must be adopted by the parties that will meet and seek a consensus, or at least common elements. Coalitions exist in this manner throughout the world. A chairman cannot issue orders to a party in which he is not a member or has no rights. [passage omitted]

[Nikolova] You maintain that people near the cabinet, and not the cabinet itself, have tried to carry out arms deals and that this attempt has been thwarted. Do you mean individual ministers or advisers?

[Ganev] I am talking about information related to attempts. As you can understand, this is a hint that the competent organs should deal with this. I think that the parliament could also continue to deal with this issue. [passage omitted]

[Nikolova] How do you think the SDS could return to power?

[Ganev] There are two possibilities. The most dangerous thing in politics is to present your desire as a reality. This occasionally happened in the SDS, or more precisely, in its political mechanisms. Presently, we must either form a majority in the parliament with the Movement for Rights and Freedoms [DPS] on an anticommunist and nonsocialist foundation, or consolidate the SDS parliamentary faction, something which we believe we could accomplish. One must remember that the overwhelming majority of DPS voters are anticommunists who have probably suffered more than most Bulgarians. In this context, the DPS leadership cannot have a different philosophy. I believe that we could achieve such a configuration in which we again could form a government that will implement the SDS program.

The other possibility is in holding new elections, which is not what we want. However, this is a constitutional matter, and for the time being it seems that we have postponed this issue for a while. However, I do not think that we could eliminate the possibility of holding new elections. The worst script is when new elections become a goal in themselves. Elections in February could be a nightmare for the people. [passage omitted]

Editorial Advocates Support for Berov Cabinet

AU1801194893 Sofia PRAVA I SVOBODI in Bulgarian 8 Jan 93 p 1

[Editorial: "Prudence After Shock"]

[Text] For a long time we were led to believe that Filip Dimitrov was the only politician who could lead Bulgaria out of the crisis. At the same time it became apparent that this man could govern only with a specific narrow circle of people, who follow an even more narrow line of interests and understandings. In the final analysis the blue [Union of Democratic Forces] prime minister was mostly toppled by those narrow party interests inside the ruling coalition, which gained the upper hand over the pragmatic economic and social problems of society as a whole. The former government used to deal seriously with only one basic idea—replacing the totalitarian system with a democratic one. This factor appeared to be sufficient to win the last elections but incapable in itself of stopping the price increases, inflation, unemployment, and production drop, and beginning a structural reform.

The positive and negative factors in the one-year-rule of the Union of Democratic Forces [SDS] are yet to be analyzed. However, it is an undisputable fact that from a purely economic point of view the changes stagnated, and the greatest burden was again placed on the shoulders of the most vulnerable from a social point of view strata. Now it is immodest, to put in mildly, to seek the causes of toppling the government elsewhere, after it became apparent that despite the fact that you had the knife in your hand, you proved unable to slice the bread properly. The SDS had enough time and opportunities to preserve its mandate and complete its work. Now it is time to answer another question: Could somebody else rule the country differently?

Prof. Berov's cabinet promises a continuity in proceeding with the reforms. However, neither the political nor the economic situation are similar to those of November 1991. The first steps and decisions of the new cabinet imply that those intentions to adhere to continuity refer first of all to the final goal of the reform, but not to its price, which was determined by the blue administration. The shock therapy left most of the people in shock and with a faint hope that a more realistic and balanced economic program will be implemented in the future.

Some people were quick in pointing out how rapidly and easily the new cabinet could be brought down. This is correct, and only confirms the fact that it relies on a very frail support, regardless of the results of the vote of confidence in the parliament. However, if Berov is to pull the chestnuts from the fire it would be much more prudent for all political forces, at least at this stage of adaption, to not fan the fire unnecessarily through endless political commitments, demands, and attacks. As long as the cabinet still has not prepared its program, and the bitter smell of the political crisis is still in the air, it would be beneficial to recall that big politics resembles chess in many ways. The winner is the one who knows best how to analyze, assess, and forecast ahead of his opponent not only the moves of the bishops, but also those of the pawns.

Deputy Premier Neev Discusses Energy Crisis

AU2001190693 Sofia BTA in English 1824 GMT 20 Jan 93

[Text] Sofia, January 20 (BTA)—Power generating capacities of between 2,000 and 3,000 mw [megawatt] will no longer be operative at the end of this century. At the same time, with the economy recovering in a couple of years, analysts predict an increase of power consumption and a 11,300 mw loading of the power grid in the year 2005, up from 7,300 mw now. Experts reported these figures today meeting Deputy Prime Minister Neycho Neev.

Officials of the National Electricity Company, the Power Engineering Committee, the Committee on Peaceful Atomic Energy Uses and related departments discussed the condition of and development prospects to Bulgarian power engineering. The meeting was intended to work out a summary statement on the basis of all reports, opinions and recommendations to the Council of Ministers and enter it at the National Assembly, Mr. Neev said.

The officials discussed the suspended project to build a nuclear power plant near Belene. Some experts said the facility was designed to be quake-resistant.

The participants in the meeting also discussed the issue of nuclear waste. There are two options: To either store waste fuel for 30 to 40 years or sell it for reprocessing abroad, according to Nikita Shevarshidze, director-general of Energoproekt. As nuclear power is central in this country, it would be best to be independent, according to the official. The country may keep the plutonium extracted from waste fuel, he said.

According to Yanko Yanev, head of the Committee on Peaceful Atomic Energy Uses, a new nuclear power plant can be build only in an atmosphere of publicity and public support. All countries which develop nuclear power engineering have passed adequate legislation and Bulgaria should be no exception, according to Mr. Yanev.

Klaus Assures Delors on Czech Interests

LD1801202993 Prague Radiozurnal Radio Network in Czech 1900 GMT 18 Jan 93

[Text] Czech Premier Vaclav Klaus has sent a letter to EEC Commission President Jacques Delors. The premier assured Delors on the interest of the Czech Republic in finding its place in European structures. He described as one of the priorities of Czech foreign policy integration into the EEC and also into the future European Union. Vaclav Klaus also appreciated the attitude of the EEC Commission to the succession of the Czech Republic with regard to the interim agreement on trade and issues connected with trade. The Czech premier invited Jacques Delors to visit the Czech Republic.

Klaus Discusses Cabinet's Current Concerns

AU1901153593 Prague CESKY DENIK in Czech 14 Jan 93 p 3

[Interview with Prime Minister Vaclav Klaus by Michal Musil and Jan Patocka on 11 January; place not given: "We Have Hopefully Overcome the Period of Non-Politics"]

[Text] [CESKY DENIK] Over the last three years the Czech political scene has moved from the sphere of daydreaming [snilkovstvi] toward pragmatic policy. How are we to come to terms with the remnants of daydreaming and romanticism, the positions of which are still strong in some places?

[Klaus] I must admit that I do not see this as the biggest problem at the moment. I do not think that residues of this kind do not exist but it is not the main issue of the day. Both government policy and the positions of the opposition are oriented more toward true interests and the period of non-politics has hopefully been overcome.

[CESKY DENIK] As far as foreign policy is concerned, do you think that relations with neighbors are more important for the Czech state than relations with states that do not directly border on it, even if they are world powers?

[Klaus] It is not necessary to polarize this issue. The foreign policy of the Czech Republic must be a balanced and responsible policy pursuing the genuine interests of the Czech state. To say either one or the other, either neighbors or world powers, either bilateral or multilateral relations is a somewhat too categorical formulation of options. Nonetheless, everyone may have noticed the emphasis in our speeches on 1 January. We wanted to show in them where we see the crux of the matter. Whereas in the past our travels were mostly between Moscow and Washington, my feeling is that now we must travel more between Bratislava, Budapest, Bonn, and Warsaw. Whereas in the past we were stressing global or European institutions, today we place greater emphasis on bilateral relations, which are the true core while multilateral relations are something extra. This does not mean, of course, that we would like to neglect one at the expense of the other.

[CESKY DENIK] Would you prefer our own strong Czech Army to the building of far-reaching ties of alliance?

[Klaus] No. Again, I think that this is a too decidedly formulated question that is not currently an issue. We do not intend to make any extensive investments in the Army and our program is more or less one of maintenance. Neither do we intend to establish new cordons sanitaire, little ententes, grand alliances, or anything else. We cannot extricate ourselves from the global problems of security policy in Europe and the world. With the disappearance of the Soviet Union as a danger and a threat, security policy has suddenly found itself in a completely different light and is still waiting to be redefined. We clearly realize, and I myself have said so on several occasions recently, that some words, among them the word neutrality, have become stale. We cannot be between and we cannot be apart but we are heading toward the West, toward Western political, economic, as well as security structures.

[CESKY DENIK] In 1925 many politicians of the Czechoslovak Republic would have spoken in the same way as you speak today. But 10 years later the Czechoslovak state was in serious jeopardy.

[Klaus] But we are not in the year 1925 today, we are actually closer to the year 1918. On 11 January 1993 we definitely are not in the year 1925.

[CESKY DENIK] Relations between the Church and the Czechoslovak Republic were always complicated relations. On which foundations will the Czech state's relationship toward the Church be built?

[Klaus] In the last six months we had other things to worry about than defining security policy or the state's relationship toward churches. We really have to say that during the first six months of the existence of this government we did not even have a chance to mention its relationship with the churches. This question emerged in the very first days of January 1993 and it did so in two contexts. The first was the problem of church property restitution. The second and seemingly petty problem is the question of the pay of clergymen and church functionaries in general and of closing the gap between their pay and salaries in budget-funded organizations. This for the first time confronted the government with the question: Is the position of tax officers or the chairmen of district offices comparable with similar positions within the framework of churches? Confronted with this question, the government replied that the issue is more complicated than that. This suddenly raised the problem of state-church relations. We have asked Minister of Culture Kubat, who is from the Christian Democratic Union-Czechoslovak People's Party and, as such, favorably disposed toward the churches, to submit to the

government in the course of February conceptual material, over which we will then seriously confront our positions for the first time.

[CESKY DENIK] Does this mean that you would agree to return to the Church its confiscated property, at least in part?

[Klaus] If you say in part, then that is possible, in my opinion. But, in my view, the idea of church property being returned in full to the church while, at the same time, the church would not be separated from the state and every church functionary would receive from the state budget the salary of a district office chairman is not feasible. The coalition talks on restitution are yet to be held and I would not like to anticipate events unnecessarily.

[CESKY DENIK] The Czech Government coalition is strong in dealing with some problems but in tackling some other issues it appears to be weak. What is it going to do about this weakness?

[Klaus] If a single political party had 51 percent of the vote, the functioning of the government and of parliament would be easier, of course. This is not our reality, however, and we must simply live with a coalition government that is not based on identical views. Had the coalition parties' views been identical, they could form a single political party. The coalition is made up of four political parties. Each of these parties emphasizes something else on some issues and I expect neither big dramas nor any breakthroughs in this respect. Even in the future we will simply deal with problems in the same way as heretofore; so far, we have always managed to find a solution. It is absolutely unrealistic to expect some dramatic changes for the better or for the worse and such an idea would not occur to me even in a dream. The biggest party, that is, the Civic Democratic Party [ODS], is getting into the worst situation because it is actually the only party that defends government policy without reservations and because it lets itself be criticized not only by the opposition parties but, on individual issues, also by the parties of the government coalition. But even that is a product of the real situation. The ODS can try to change agrarian policy, cultural policy, or privatization policy through its weight in the government or parliament and feels no urge to vent this endeavor through the media. The smaller political parties in the coalition are constantly feathering their own nests by detaching themselves from the government and from government policy on individual points. Unfortunately, the ODS cannot do that, which accounts for the for us somewhat disagreeable asymmetry.

[CESKY DENIK] In other words, you do not think that the disagreements within the coalition are at times grounded in fundamentally different views, such as views on policy?

[Klaus] I am not aware of a single reason, on the basis of which I could reply in the affirmative. Really not. The disagreements have their roots in personal and other problems rather than in the depth of differences of views.

[CESKY DENIK] One of the symptoms of the coalition's certain weakness is the problem it is having to accomplish the transformation of the Czech deputies of the former Federal Assembly into the Senate.

[Klaus] For me the Senate is a certain "finesse," it is the icing on a cake, as I have said in a different context. The country can exist well with the Senate and without the Senate. I believe that any fundamentalism on this point is mistaken. The fact and reality is that the Senate is enshrined in the Constitution. I consider it absurd to change the Constitution by crossing out the provisions on the Senate. Hence, the question confronting us at present is whether to fill the Senate immediately or wait until the next elections. Fundamentalist categorical views on this issue are incorrect and one should rather consider the specific situation. Filling the Senate as it is foreseen in the Constitution through Federal Assembly deputies elected in the Czech Republic seems to me to be the easiest, most sensible, and least painful way. But no catastrophe will occur if the Senate is not filled. I would consider it a gross political mistake if the Senate were to be filled by means of elections in the foreseeable future. Throughout 1992 we were constantly distracted from routine activity, in the first half of the year by the elections and in the second half by the partition of the state. The idea of preparing another election fills me with horror, not because I would be afraid of a worse result but because we would have less time to deal with problems of the currency, company bankruptcies, restitution of church property, the continuation of privatization, and hundreds of other things.

[CESKY DENIK] Could you today assume a stand on the affair that came about in the wake of the privatization of Knizni Velkoobchod [Book Wholesale enterprise]?

[Klaus] I think that it is necessary to distinguish between several things. First of all, Miroslav Macek participated in the privatization project for the company at a time when he was a mere deputy and when the idea did not even occur to him that he could one day become federal deputy prime minister. Hence, the first thing is that he was a partner in a company that submitted a privatization project, which is something that has been done by dozens of deputies who are active in business. The fact that everything has turned against Miroslav Macek is, in my opinion, a certain simplification. The second thing I would like to say is: I was not a member of the previous Czech Government that approved the privatization project for Knizni Velkoobchod. Nevertheless, the accusations raised by the Supreme Control Office that some data, words, and pages in the privatization project for Knizni Velkoobchod have been altered in retrospect seem to be false, according to what I know about the case. It seems that they are not based on justified grounds. Third, a great problem has been stirred around the names Telegraf and TELEGRAF Prague. I do not

want to interfere in whether it was good that someone approved those two similar names. The firm Telegraf submitted, in early 1992, a project for the privatization of Knizni Velkoobchod and the Polygrafia printing plant. This project was turned down and it was recommended that a new separate project be submitted for Knizni Velkoobchod alone. In other words, I consider the accusation that the name of the company in the project was subsequently changed to be immaterial. It is a pity, however, that as a result of this affair a politician of such undeniable abilities as Miroslav Macek has lost any possibility to be active in politics at present.

Dlouhy Comments on Law on Bankruptcies, Settlement

AU1801150193 Prague CTK in English 1512 GMT 15 Jan 93

[Text] Prague Jan 15 (CTK)—Amending the law on bankruptcy should provide the state and private sectors with equal opportunities, said Minister of Industry and Trade Vladimir Dlouhy in an interview in the daily MLADA FRONTA DNES today.

Bankruptcies can free up the work force and financial resources of unprosperous enterprises and allow them to be used more effectively. Dlouhy said that the government should support only enterprises which, if threatened, could cause social unrest, or those which will apparently have a long-term advantage on global markets.

Dlouhy said that so-called capitalization should be used for the support of such enterprises. This means replacing debt with a share of ownership for the benefit of banks, using National Property Fund sources less, and in some cases providing government guarantees, which a foreign partner may require. In no case will these resources be drawn from the state budget, Dlouhy said.

The gross domestic product is expected to grow one to two percent over 1992 this year, he said. The bad situation of enterprises is frequently caused only by a shortage of finances needed to modernize production. Dlouhy believes that banks should help, but that they are too reserved and cautious. I think that they should be more flexible in providing credit, he said.

According to Dlouhy, the state sector has large problems. The private sector already has the first positive results in trade, tourism, some services and in construction. Privatized state enterprises also have promising results, he said.

Baudys Explains 'Protecting the Border' Statement

AU1901152493 Prague CESKY DENIK in Czech 15 Jan 93 p 2

[Report by "jes": "Minister of Defense Antonin Baudys' Statement for CESKY DENIK"]

[Text] CESKY DENIK has asked Minister of Defense Antonin Baudys to clarify some specific aspects of protecting the border with Slovakia. Speaking in Olomouc on 11 January, the minister of defense declared that the Army was ready to protect this border in the event of a threat to the security of the Czech Republic by large-scale migration. "I was not speaking about the physical protection of the border, but about the readiness to face up to dangers associated with the possibility of mass migration from areas to the east of our border," the minister of defense stated in his response. "Not to consider this risk and not to prepare oneself for it would be foolish and careless. In the event of a large wave of migration, the Army is actually the only institution capable of building in due time reception camps, ensuring the necessary food and medication, and protecting the property and security of our citizens." In his statement the minister notes, furthermore, that the manner of the Army's deployment would be determined by the government on the basis of its overall measures reflecting the specific situation. The appropriated financial resources and troop numbers would also be commensurate with this.

Majority of Czechs Support Territorial Arrangement

AU1901141393 Prague CTK in English 1249 GMT 15 Jan 93

[Text] Prague Jan 15 (CTK)—Inhabitants of Bohemia, Moravia, and Silesia prefer territorial over regional arrangement in the Czech Republic, according to research conducted between 2-7 December 1992, by the Institute for Public Opinion Research.

A representative group of 681 inhabitants of the Czech Republic were polled.

As far as territorial organization was concerned, the view that Moravia and Silesia should exist as one single territory dominates. This view is common especially in south Moravia.

Inhabitants of south Moravia are more inclined to support territorial autonomy, and in north Moravia respondents are more in favor of a regional arrangement. Not even there, however, did the regional variant dominate.

Views of inhabitants of the Ostrava area reflect those of the whole of north Moravia. Approximately one in seven people in the Ostrava area think that Moravian and Silesian territories should exist separately.

Support for basic variants of territorial organization in the Czech Republic (percent):

	CR	Bohemia	Moravia
Moravian-Silesian territory with legislative initiative	35	28	47
Moravian and Silesian territories with legislative initiative	9	7	13
Regions without legislative initiative	27	30	20
don't know	29	35	20

Support for basic variants of territorial organization on the territory of former Moravian areas:

	south Moravian area	north Moravian area
Moravian-Silesian territory with legislative initiative	54	40
Moravian and Silesian territories with legislative initiative	16	10
Regions without legislative initiative	14	27
don't know	16	23

Ha·el Accepts Presidential Nomination

LD1901204593 Prague CTK in English 1913 GMT 19 Jan 93

[Text] Prague Jan 19 (CTK)—Former Czechoslovak president Vaclav Havel officially accepted his nomination for the office of president of the Czech Republic this afternoon in the Chamber of Deputies, immediately before meeting with the deputies' group of the Czechoslovak Social Democratic Party (CSSD).

Havel spokesman Ladislav Spacek told journalists that the deputies questioned Havel on his concept of the presidential office and the functioning of the presidency, his opinion on economic reform, and on his view of the relationship of the president to parliament and to political parties.

Deputies criticised Havel for certain measures he took as president of the federation, especially his extensive amnesty of 1990 and the series of constitutional amendments he proposed in November 1991 that would have strengthened presidential powers.

After the meeting, however, Chairman of the CSSD Group Karel Hrdy said the majority of the group's members supported Havel for president, and that his satisfactory answers at the meeting were part of the reason.

Spacek said that Havel has agreed to meet with deputies of the Liberal Social Union (LSU) within the next few days.

Coopertation With KSCM in Shadow Cabinet Rejected

AU1501145393 Prague MLADA FRONTA DNES in Czech 14 Jan 93 pp 1,2

[Report by "(ben, mag)": "A Shadow Government Is Mere Wishful Thinking"]

[Text] Prague—The shadow cabinet currently being formed by the Communist Party of Bohemia and Moravia [KSCM] should—according to KSCM Chairman Jiri Svoboda—be a working group of experts, each of whom would be responsible for monitoring a specific department. It would then inform the public of the government's mistakes and of its alternative solution to specific problems. However, the parliamentary opposition parties are all refusing to cooperate with the communists. This became clear yesterday after MLADA FRONTA DNES made some inquiries.

Despite the fact that KSCM Spokeswoman Blanka Robejskova said on Tuesday [12 January] that the shadow government will also be composed of representatives from other left-wing parties and from the center parties, Jiri Svoboda would not confirm whether the KSCM has held talks with any of them. "I think that almost all the nongovernment parties already have similar shadow structures," he said. "The prominent people—recognized as experts at home and abroad—who support the grouping have been talking for some time about the need for change and about the need to establish such a team. Its origins lie in the Left Bloc commissions and within the framework of the other social initiatives with which we have normal working contacts," added the KSCM chairman.

The only party that would be willing to consider participating in the shadow cabinet is the Democratic Labor Party [DSP]. Its chairman, Michal Kraus, said that the question is whether the shadow cabinet will have any credence and whether it will be composed of first rate people. However, the communists have not yet asked the DSP to cooperate. Apparently, this party could—if its board approves its participation in the shadow government—nominate a sufficient number of experts.

Liberal Social Union [LSU] Chairman Frantisek Trnka denied that anyone in his party would hold talks with the KSCM on forming a shadow cabinet. He told us that the KSCM has not parted ways with active members of the former Communist Party of Czechoslovakia and, therefore, the LSU refuses to cooperate with it. Czechoslovak Socialist Party Chairman Ladislav Dvorak then said: "If the KSCM were to try to talk to us about forming a shadow government, we would say—right at the outset—absolutely not!"

Jaroslav Kupka, chairman of the Movement for a Self-Governing Democracy of Moravia and Silesia Land Assembly, and Czechoslovak Social Democracy Chairman Jiri Horak reacted in a similar manner. No one has talked to them about a shadow cabinet, and these

political entities in no way intend to cooperate formally with the Communist Party. The Association for the Republic-Republican Party of Czechoslovakia—according to its secretary, Jan Vik—does not intend to cooperate with the communists, either.

"We are not considering it," said Civic Movement Spokesman Lubomir Kinst in reply to a question on whether the movement would cooperate with the KSCM in forming a shadow cabinet. "Even if they were to ask us, we would think it absurd," he added. Kinst also said that the communists are obviously proceeding from the fact that the political situation is extremely unstable and that changes could take place very rapidly.

New Faction Formed Within Communist Party

LD1801230393 Prague CTK in English 2232 GMT 18 Jan 93

[Text] Prague Jan 18 (CTK)—Members of the Communist Party of Bohemia and Moravia (KSCM) have formed a new faction within the party calling for each organisation and each of its members to become an active advocate and instrument of a world socialist renaissance.

The leadership of the new faction includes former Prague Communist Party chief Miroslav Stepan and former Czechoslovak minister of the interior Jaromir Obzina.

In a declaration received by CTK today entitled for socialism, the faction says it adheres to the principles of Marxism and Marxism-Leninism, and to the general experience of the International Workers' and Communist Movement. It stands unambiguously for the rights of working people and springs from the progressive tradition and positive results of the communist movement in Czechoslovakia and the world, the declaration says. It intends to contribute to the reinforcement of independence and sovereignty of the Czech Republic and to oppose decisively any kind of threat to national interests in the political, economic, scientific and military spheres accompanied by an unusual drop in workers' living standard. The faction, which characterises itself as an open flow of ideas within the Communist Party framework, opposes the restoration of capitalism in the Czech Republic, the declaration adds.

The declaration also applauds the successes of socialist construction in the People's Republic of China, North Korea, Vietnam and Cuba, and says that in international relations the faction seeks to cooperate on an equal basis with all communist, progressive and democratic powers in the world.

KSCM Deputy Chairman Miroslav Grebenicek told CTK he considers the new faction entirely superfluous and said it has no support from the party's members. If the faction is supposed to represent an attempt by former functionaries to strengthen the Communist Party, Grebenicek said he considers it a very dangerous attempt, especially since the party's members pledged to respect its programme at its congress in December.

On October 13, 1992, KSCM Chairman Jiri Svoboda told CTK he did not fear the so-called Stepan clique within the party. Miroslav Stepan is taking up positions which are in gross opposition to the programme of the party...in contrast to him, our members have a sense of reality. The changes which took place within the party after November 1989 are irreversible, Svoboda said.

I do not deny anyone the right to have a party corresponding to his or her ideas, Stepan had told CTK the previous day. But in such a situation, the leaders of the KSCM should found their own party and not make fools of themselves. I consider it important to respect the opinion of the majority of the party's members. If they suggest to me that I found my own party, I will categorically refuse. I do not need to form a party for myself. I am in my party.

Stepan was stripped of all party functions on November 26, 1989, and expelled from the Communist Party of Czechoslovakia (KSC) on December 7 of that year. Svoboda announced on October 5, 1992, that the Central Committee of the KSCM does not consider Stepan a member of the party. Stepan told CTK at the time: The so-called comrades totally missed the point in this case. Time will show what this is really about, what is behind this affair. I also do not consider some of them members of the Communist Party.

Dlouhy on Disputes Within Coalition, ODA Policy

AU1401215693 Prague CESKY DENIK in Czech 13 Jan 93 pp 1,13

[Interview with Trade and Industry Minister Vladimir Dlouhy by Michal Musil; place and date not given: "Rivalry Within the Coalition Is Futile"]

[Text] [Musil] The Civic Democratic Alliance [ODA], of which you are a member, has recently adopted some rather individual stances within the coalition. Do you think that one of these stances—rejecting the transfer of federal deputies to the Czech Senate—is a double-edged sword as far as the ODA is concerned?

[Dlouhy] Tell me, how can the ODA destabilize the coalition by disagreeing with transformation?

[Musil] As no interim Senate has been established, the Chamber of Deputies' ambiguously defined jurisdiction may lead to problems.

[Dlouhy] The Constitution is not so complicated that it cannot be interpreted. After all, this will be up to the Constitutional Court.

[Musil] However, if the Senate is not filled, there may be a definite risk of new elections.

[Dlouhy] I do not want extraordinary elections, but tell me, what would cause them?

[Musil] People will say that the legitimacy of the June elections to the Federal Assembly was not acknowledged; therefore, the June elections to the Czech National Council are also not legitimate.

[Dlouhy] There are arguments for and against. No one is casting doubts on the legitimacy of the June elections, but the entity to whose constitutional body part of these elections were held has ceased to exist. While—on the contrary—an entity whose existence has been confirmed, has its own constitutional body.

[Musil] However, the left-wing parties do not have to take up this argument in their rejection of transformation; they will claim that the results of the elections held in the old state are not legitimate in the new state.

[Dlouhy] I do not think this is quite the case. I was one of those in the ODA who, just prior to the vote on transformation, demanded a very detailed and substantial debate on all the risks arising from this. In spite of this, I think the ODA's policy in this regard is correct.

[Musil] The ODA holds posts in the ministries and departments closely involved in privatization, and privatization—logically—increases the risk of corruption. Are the reservations about the privatization process being supervised by the ODA and no one else unjustified?

[Dlouhy] I resent the way you are talking about the ODA, and you are using one-sided arguments. The first wave of privatization was approved before the advent of Klaus' government, and a great deal of responsibility for privatization is also borne by the Agriculture Ministry. Very few people are aware of just how many attractive projects are dealt with by this ministry. We conduct privatization the way we know how to conduct it. We are obliged to remain within the legal framework, but—at the same time—privatization is a process in which it is impossible to use purely legally embossed standard methods. It is a process that involves risks and causes scandals. However, it is a process that must—as fast as possible—alter ownership relations. If we insinuate a priori that our democratically elected representatives and ministers—who were appointed on the basis of a signed coalition agreement—are making no attempt to supervise privatization and if we insinuate that they are using their position within the privatization process to benefit their political party, then we are making a mistake. Privatization involves thousands and thousands of projects, and there have been very few scandals. There may be some anxiety that it is not the right strategy for the ODA to be so closely associated with privatization. I do not hold this opinion, and we are sticking to the coalition agreement, which unequivocally advocates that ministerial posts should be filled by certain political parties.

[Musil] There is a certain rivalry between the ODA and the Civic Democratic Party [ODS]. Do you think that this rivalry has gone beyond a certain natural limit and is futile?

[Dlouhy] Yes, this rivalry is futile in some aspects, and the "sparks fly." This relates to my view of the style of ODA policy. However—and this is not only the ODA's view—these futile flying sparks are not only a matter for the ODA, they are also a matter for the ODS. For example, the attempt to appoint Miroslav Macek Czech Republic ambassador to Bratislava reeks of arrogance. The issue does not only involve Miroslav Macek himself, but also the fact that the ODS did not give enough thought to the kind of debate it would arouse. On the other hand, the way certain members of our Deputies' Club adhere to all the legal and legislative niceties is always indicative of their absolute misunderstanding of the fact that certain decisions are urgent and that none of them is—in a black-and-white fashion—absolutely right. In this sense, the ODA sometimes excels at pedantry. The ODS has, on the other hand, all the problems pertaining to a big party. It is up to the two parties' leading representatives to keep the rivalry to a level that is normal and natural in relations between two coalition parties.

[Musil] Do you think that this rivalry is, to a great extent, caused by the very nature of the ODA, which is still reminiscent of the traditions of the Civic Forum and nonpolitical politics?

[Dlouhy] Yes and no. It is necessary to realize that those ODA representatives about whom I have reservations have often seen further than the pragmatics. An example of this is the restitution issue. Therefore, I am also an ODA member. A single conservative party will, in the longer term, probably be established here. However, in the short term, there will be two somewhat rival parties that should, of course, be cognizant of their election results and of the fact that a coalition means, first and foremost, cooperation.

Labor Ministry Report Shows Drop in Unemployment

AU1901130493 Prague CTK in English 1844 GMT 15 Jan 93

[Text] Prague Jan 15 (CTK)—Unemployment rate in the Czech Republic reached a record high of 4.31 percent in January 1992 when 231,200 people were registered in search of work, states a report of the Czech Ministry of Labor and Social Affairs given to CTK today.

According to the report unemployment stood at 2.57 percent by the end of 1992 when only 134,800 jobless were registered.

The report says that positive tendencies in the employment field in the Czech republic have been fostered by the programs for active employment policy (APZ). About 96,700 new jobs were created in 1992 specially for

those without jobs. 25,400 were employed in public works while 17,600 had begun to be retrained for a new profession.

The report says that about 1.7 billion korunas (approximately $59 million) were earmarked last year for the implementation of the APZ programs. This constitutes about 54 percent of all the means designated for promoting employment and about 0.23 percent of the country's gross national product.

New Tax Causes Prices To Rise Over 20 Percent

AU1901141293 Prague CTK in English 1658 GMT 18 Jan 93

[Text] Prague Jan 18 (CTK)—The general food prices in the Czech Republic have been estimated to rise on the average by 8 percent after the value added tax was introduced on January 1, the Czech Statistical Office reported today.

The report compared the prices of 36 food samples taken in all Czech Republic districts and 20 non-food items surveyed in seven former regional seats.

The highest food item increases were registered by baked goods, namely bread and rolls. As of January 12 the price of these items increased by 17 to 20 percent compared to figures taken on December 15 of last year. Milk and dairy goods prices increased by 11 to 18 percent, potatoes by 12.5 percent, beer and wine by 13 to 15 percent and apples by 13 percent.

The office has noted a lower increase on pasta items (6.5 percent), meats (3 to 8 percent), while prices of rice, eggs and tropical fruit remained below 5 percent.

Among the food items actually now costing less are coffee (23 percent) and tinned fish (0.3 percent).

The office also noted that many prices jumped again between January 5 and 12.

Commenting on the non-food prices, the Statistical Office puts the increase in the price of coal at 22 percent, of cement at 27 percent, of washing machines at 28 percent and sweater prices rose some 20 percent. The only item with a marginally reduced price was soap.

The Prague and west Bohemian regions had the largest price increases, the office noted.

Bank To Claim Largest Share of Federal Funds

AU1501154593 Prague HOSPODARSKE NOVINY in Czech 11 Jan 93 p 1

[Report by "do": "Monetary Policy (for the Time Being) in Harmony"]

[Text] "Even though we had to 'draw the lines' of the playing field and lay down the rules of the game first, we have already managed to kick off—that is, do some specific work," Czech National Bank Governor Josef Tosovsky declared at a news conference in Brno on Friday [8 January], after the first session of the Czech-Slovak Monetary Committee.

The specific work includes, first and foremost, the joint decision on the aggregate volume of refinancing credits that the two central banks will be able to offer Czech and Slovak commercial banks this week. The agreed aggregate volume, which Josef Tosovsky described as sound from the viewpoint of the banks' liquidity, will be divided in a 2:1 ratio. It is actually only a ceiling—neither the Czech National Bank nor the Slovak National Bank have to exhaust it. The Monetary Committee decided not to publish the sum for auction credits.

At the meeting in Brno, the Monetary Committee agreed to set up two working groups that will prepare for it background materials for the conclusion of a payments agreement between the two states after the currency separation as well as an agreement on mutual settlement after currency separation.

The Monetary Committee also discussed the division of the former Czechoslovak State Bank's balance, which will be known in mid-January. According to Josef Tosovsky, the scale of the Czech National Bank's claims against the Slovak National Bank is such, however, that it is impossible to settle it within the framework of a mere bank balance, and it will have to be compensated within the framework of the global division of federal property. Marian Tkac, vice governor of the Slovak National Bank, ruled out the possibility of the Slovak deficit being reimbursed from the Slovak share in [the former federation's] gold or foreign exchange reserves. Commenting on this, the Czech National Bank governor added that, even though the precise data are not yet known, Czech bank claims will probably exceed 30 billion korunas, which means that even the Slovak share in reserves would not suffice to offset these claims.

Both central banks consider the criteria being monitored under the Czech-Slovak monetary agreement as possible signals for a separation of currencies to be sufficiently telling. All the more because, according to Josef Tosovsky, these criteria are not dogmas but rather trends that are being monitored on a daily basis. A short-term transgression need not be a signal for a definitive separation as long as there are prospects for corrective action and the good will to take such action.

Both the governor of the Czech National Bank and the governor of the Slovak National Bank drew attention to the fact that the two central banks can influence their common monetary policy only to a certain degree. As they said, monetary development also depends on other factors, such as the development of budgets, the development of wages, and, last but not least speculations or expectations. This is why the two representatives refused to even hint at how long a life they predict for the

common currency. Nonetheless, the Monetary Committee has already prepared a timetable of its meetings in the first half of the year; the next meeting is to be held in Bratislava on 25 January.

[Bratislava NARODNA OBRODA in Slovak on 13 January on page 13 carries a 500-word TA SR report on an interview with Czech National Bank Spokesman Martin Svehla by an unidentified reporter. In the interview, the place and date of which are not given, Svehla is asked to explain why the Czech National Bank claims 30 billion korunas from the Slovak central bank. While Svehla refuses to name any specific sum on the grounds that the closing date for the Czechoslovak State Bank's final balance is 15 January, he admits that there is an imbalance that will have to be settled. As he points out, "after the founding of the two central banks, the Czech National Bank took over ties with 46 commercial banks in the Czech Republic and the Slovak National Bank ties with 15 commercial banks in the Slovak Republic. The Slovak central bank took over refinancing credits issued to Slovak banks, and it also took over Slovak banks' reserves that had been deposited with the Czechoslovak State Bank. While the extension of Czechoslovak State Bank credits to banks in the Czech Republic and in the Slovak Republic had been roughly in balance, 85 percent of the commercial banks' obligatory minimal reserves deposited with the Czechoslovak State Bank had been contributed by Czech banks. In other words, Slovak banks accounted for only about 15 percent of total reserves." As a result, Svehla continues, "after 1 January 1993, the Slovak central bank took over a higher volume of assets (that is, credits) than liabilities (that is, reserves). As the assets are being divided in a 50:50 ratio and the liabilities in an 85:15 ratio, an imbalance comes about. This is the sum that represents the Czech National Bank's claim against the Slovak National Bank and that needs to be settled."]

Klaus on Currency, Election of President

LD2001063393 Prague Stanice Praha Radio Network in Czech 1745 GMT 19 Jan 93

[Interview with Czech Prime Minister Vaclav Klaus by Vaclav Musilek; place and date not given—recorded]

[Excerpts] [passage omitted] [Musilek] Here in this country there is more and more speculation about speedy currency separation or even currency reform. In your view, are there any trends that would indicate something like that?

[Klaus] First, the term currency reform is a completely unnecessary word. Since all three of us [as heard] can remember the currency reform that happened about 40 years ago, let us not use the word reform at all. Currency separation is something completely different. It is something that is in perfect harmony with all the agreements we have concluded with the Slovak Republic, under which the process of our currency development will have three stages. In the first stage the common currency is to be maintained; in the second stage currency separation is to be carried out, (?probably) while still preserving the one to one parity exchange rate; and only in the third stage will two exchange rates for two separate currencies develop independently of each other. [Words indistinct] I was persistent in refusing to speculate how many months, weeks, or days this or that stage will take. I always said to journalists: Do not ask me about this, it will take as long as is necessary, not a day longer and not a day less, but to know in advance when it will happen is of no use. [Words indistinct] no changes are taking place and the price level is the same both in the Czech Republic and in Slovakia. We do not have any different reports about state budgets. [senetence as heard] We have noted a certain movement in our foreign currency reserves, which worries us. We are, of course, trying to regenerate them, and we are therefore holding talks with foreign countries—I held such talks during my visit to Germany—so we could increase foreign currency reserves to a safe level to be able to survive a possible wave of speculation against our currency. So let us wait for the right time. But, of course, let us make technical preparations for the currency separation. But I believe the speculation will not continue and that people will behave as they behave; that is, that they will trust our currency. [passage omitted] If people in our country are doing anything at all, then they are doing an extremely wise thing, and that is that they are merely changing the form of money. They are depositing cash in various forms. [passage omitted] They know very well that by doing this they will make any future exchange of money much easier for everybody—for us and themselves. The fact that they are doing it means they trust the currency. [passage omitted]

[Musilek] To conclude the interview, prime minister, I would like to ask you a question about the election of the president. The coalition parties agreed on a joint candidate for this post, and a change in the stances on the sequence of these steps occurred; that is, the election of president and the filling of the Senate. Does this mean the view has prevailed that a president needs to be elected quickly?

[Klaus] [passage omitted] We all know that it is not a matter of days. In the case of currency separation, it can be a matter of days since it will be a mistake to miss the right moment. But in this case it is not a matter of days and hours. Despite that, such feelings and impressions have been created. I believe we have all come to a sensible conclusion that since we are not having much success in trying to find a final solution to the problem of the Senate—I always say one way or another—then let the election of the president take place—although it is true that one of the main tasks of the Senate in the near future is to take part in the election of the president. But I do not think there is a need to doggedly defend the view that this or that is an ideal solution. I think that what has happened is sensible, and I believe that the president of the Czech Republic will be elected in the next few weeks.

Prague Exchange Alters Operational Policy

AU1801150393 Prague CTK in English 1101 GMT 15 Jan 93

[Text] Prague Jan 15 (CTK)—The Prague Securities Exchange will have but one official market, not several as originally announced, the exchange's Secretary General Jiri Franc is quoted by the Czech business daily HOSPODARSKE NOVINY today.

The proposed exchange should open next spring and the original plan was to sell securities on several levels on the basis of their ratings.

However, Franc says that the policy was changed since the viability of companies cannot be ascertained in the initial stages.

Besides officially traded blue-chip stock, the exchange would also support trading of any other security, without a guarantee. It would make its technologies available and give its members freedom to deal in such stock, Franc added.

Stock quotations will be fixed daily and may fluctuate by no more than 10 percent. Franc says that at the outset only five to 15 companies' stock should be traded.

According to the exchange securities' quotation committee a company stock placement must amount to at least 100 million korunas ($3.5 million) which should also be at least one-fifth of the company total stock issue.

Bank Official Gives Details of New Coinage

LD1801164593 Prague Radiozurnal Radio Network in Czech 1600 GMT 18 Jan 93

[Text] Martin Svehla, press spokesman of the Czech National Bank, said today that the bank expects the first deliveries of new Czech coins toward the end of February. The coins are being minted in Canada and Germany. The coins can be put in circulation after currency separation in the usual manner, that is by gradual withdrawal of old Czechoslovak coins from circulation while replacing them with new ones. Martin Svehla also said that the Czech koruna will be the new Czech currency unit. According to him, the Czech currency will have nine [as heard] metallic coins in denominations of 10 hellers, 20 hellers, 1 koruna, 2 korunas, 5 korunas, 10 korunas, and also entirely new 20 koruna and 50 koruna coins, while 5 heller coins will be abolished.

Finance Ministry Denies Impending Currency Split

AU1901131593 Prague CTK in English 1531 GMT 15 Jan 93

[Text] Prague Jan 15 (CTK)—Czech Finance Minister Ivan Kocarnik told CTK today that at present, an agreement has not been reached between the Czech and Slovak Republics on dividing the joint Czechoslovak currency.

He added, however, that preparations are under way for this eventuality. Each side is obliged to inform the other before the Czechoslovak currency can be split.

One of the factors speeding up the planned division of the Czechoslovak currency are attempts by banks abroad to rid themselves of their koruna holdings. Czech Deputy Finance Minister Miroslav Tera today told CTK that certain European states are attempting to return their Czechoslovak korunas to Prague, which could trigger inflation, the ministry fears.

According to information from the Czech Finance Ministry, Austria, Poland, and Germany, who hold the greatest number of korunas, are the main concern.

Border controls on the Czech side have been tightened in recent days. Foreigners entering and exiting the Czech Republic are legally entitled to carry only 100 korunas ($3.30).

Tera, reacting to an Austrian request that he clarify what he meant when he expressed fears of an influx of Czechoslovak korunas from abroad, said he had been referring to individuals who might try to transport korunas across the border illegally, and not to banks.

Central Bank's Reserves Drop 40 Percent in Week

AU2001142893 Prague RUDE PRAVO in Czech 16 Jan 93 p 2

[unattributed report: "The Czech National Bank Sold Some 40 Percent of Its Foreign Exchange Reserves in One Week"]

[Excerpts] "The decline of the foreign exchange reserves is not extraordinary and corresponds to the situation at the beginning of the year and to the fact that, at the end of last year and the beginning of this year, commercial banks were not able to purchase any foreign currency," says Czech National Bank Spokesman Martin Svehla. His words are confirmed by Friday's [15 January] trading, when the volume of foreign exchange sold by the Czech National Bank and the Slovak National Bank dropped by more than 50 percent, compared with the preceding days. On aggregate, however, the Czech National Bank sold in one week about 11.7 billion of its 26 billion korunas' worth of foreign exchange reserves. In the same period, the Slovak National Bank sold approximately 4.5 billion out of its foreign exchange reserves of 13 billion korunas.

According to Martin Svehla, the monetary development in both republics does not indicate the need for a monetary split. Speaking about the current stamping of banknotes, he said that banknotes to the value of 14 billion korunas have had adhesive stamps affixed to them thus far and that the stamping would continue until the sum of 20 billion korunas is reached.

The stamping also continues in Slovakia. Citizens of the Slovak Republic hold about 30 billion korunas in cash.

Even though coins and 10 koruna banknotes will not be stamped, that still leaves 21 billion korunas that citizens will want to have replaced with the stamped banknotes on the day of exchange. This means that the Slovak National Bank has the task of marking a total of 82 million korunas in banknotes, Slovak Radio reported on Friday. The stamping of banknotes in Slovakia started on Wednesday, 13 January. On Friday, banknotes were being stamped at thirty different locations in the Slovak Republic, but their exact whereabouts is being kept secret. [passage omitted] The stamping of all 82 million banknotes is expected to take 43 days. All banknotes in Slovakia should thus be stamped by Thursday, 25 February. Should the monetary split occur prior to that date, the Slovak National Bank would exchange only as many banknotes as it had managed to stamp by then; the remaining banknotes would be replaced gradually at a later date.

CTK reports that, according to Slovak National Bank Vice Governor M. Jusko, some 110 million banknotes are currently in circulation in Slovakia that will have to be exchanged on "D" day.

[Prague LIDOVE NOVINY in Czech on 16 January on pages 1 and 8 carries a 1,000-word "ph, CTK"-signed report, entitled "When Will the Currencies Separate?" which cites different figures on the drop in the Czech foreign exchange reserves. The report notes that "according to sources close to the Czech National Bank, since the beginning of the year the Czech National Bank has sold to commercial banks foreign exchange worth approximately $270 million, by which sum the Czech central bank's original level of foreign exchange reserves had dropped by yesterday. On 1 January 1993, following the division of the Czechoslovak State Bank, the Czech National Bank had $730 million in foreign exchange reserves, plus $200 million in gold."]

Klaus, Kohl Discuss Reserves

AU2001143293 Prague CTK in English 2137 GMT 18 Jan 93

[Text] Frankfurt am Main, Jan 18 (CTK)— Czech Premier Vaclav Klaus discussed political and economic matters, including the Czech Republic's reserves of hard currency, in a telephone conversation with German Chancellor Helmut Kohl today, Klaus told journalists today.

Klaus spent Sunday [17 January] and Monday on a working visit to Germany. He indicated yesterday that he would meet in Frankfurt with the chief of the Bundesbank, Helmut Schlesinger, on Monday evening to discuss the problem of hard currency reserves.

CNB Says Reserves 'Stable'

AU2001143593 Prague HOSPODARSKE NOVINY in Czech 19 Jan 93 p 2

[CTK report: "Foreign Exchange Reserves Are Stable; The Czech National Bank Will Be Ready To Exchange Money in One Month"]

[Text] If the monetary split occurs in a month, the Czech National Bank [CNB] will be ready to carry out the exchange of stamped money to the population, CNB Spokesman Martin Svehla said yesterday. The Czech National Bank first started stamping higher-denomination banknotes and is gradually switching to the stamping of lower-denomination bills. It is now even using adhesive stamps for 10-koruna bills.

Last week the central bank sold 11.7 billion korunas' worth of foreign exchange to commercial banks, Martin Svehla went on to say. However, on Friday [15 January] the CNB sold only half of the foreign exchange volume sold on the previous days, and on Monday foreign exchange sales dropped to virtually zero. He also said that the total sum of the Czech central bank's and the Czech commercial banks' foreign exchange reserves is still very stable.

The Czech Republic's admission into the World Bank means, among other things, the continuation of the extension of credits for structural changes in the Czech economy, Svehla said. These credits are tied to specific projects in both the Czech Republic and the Slovak Republic. Since 1991, the World Bank has approved for the former CSFR credits worth a total of $696 million.

Baudys: Army, Defense Ministry To Be Modified

LD1901152393 Prague CTK in English 1355 GMT 19 Jan 93

[Text] Prague Jan. 19 (CTK)—The Czech minister of defence, Antonin Baudys, told journalists today there will be considerable changes soon in the personnel of the ministry and the Czech Army General Staff.

He stressed, however, that Lieutenant General Karel Pezl, the chief of the Army's General Staff and deputy minister, will keep his post as the minister fully trusts him.

Baudys said the posts of Pezl's three deputies will be abolished, there will be only one deputy instead.

He did not rule out changes in the Army Command in connection with the restructuring of the Army currently under way. He said five generals will soon retire.

Baudys said he has set up a commission to work out a concept for the Czech Army which should be submitted to the government by April 1993. After discussion in parliament, the concept could start to be applied as of June, he added.

To the possibility of stationing Czech troops on the Czech-Slovak border in case of mass migration of people (from the east), Baudys said if mass influx of immigrants occurs the army is prepared to provide them with necessary humanitarian aid.... That does not mean to close the border with the help of the military, he added.

Migration Bill Raises Concerns of Racism

AU2001135493 Prague CTK in English 2314 GMT 18 Jan 93

[Text] Prague Jan 18 (CTK)— Prosecutors from the Czech capital of Prague are alarmed by the migration bill submitted to the Czech parliament earlier this year by Czech Prosecutor General Jiri Setina.

The bill came in response to the controversy over a November 3 decree on securing public order passed by the North Bohemian town of Jirkov. The decree ordered fines of up to 100,000 crowns (about 3,500 USD) for actions endangering the morals, health and security of others, immediate eviction without judicial approval, and other penalties.

The General Prosecutor's Office, which worked out the bill, said it is meant as a tool to help counter unrest provoked by some ill-disciplined migrating groups of the population. In fact, the bill targets mainly Romanies.

It has met with strong criticism from various parties and institutions which label it as racist.

The Prague prosecutors say that a majority of the problems mentioned in the bill can be solved if the valid legislation were applied. This would, however, require full functioning of state bodies, such as local governments, police, prosecutor's offices and courts. For this, their material, personnel and technical needs would have to be fully met.

The prosecutors also protest the fact that the bill contains provisions which could also affect citizens living in harmony with the legal order and that the provisions could be misused against them.

North Bohemia, which is worst hit by migrants, was today visited by Czech Interior Minister Jan Ruml, Czech Justice Minister Jiri Novak and Jiri Setina.

Ruml said that the police force in North Bohemia will be reinforced by 130 men from other districts of the Czech Republic to stay there for four months. Within half a year, 200 graduates of police schools will be stationed in the region, he added.

A group of Czech parliamentarians today visited Jirkov. They promised mayors of North Bohemian towns to support amending the existing legislation so that public order can be maintained in places with higher migration of the population.

The mayor of Jirkov, Filip Skapa, told the parliamentarians that the Jirkov decree is by no means pointed against one group of the population only. It is aimed against all those who do not observe law and public order. In Most, north Bohemia, today, chairman of the extreme-right Assembly for the Republic-Czechoslovak Republican Party (SPR-RSC) Miroslav Sladek said that the Romany population must adapt themselves to the Czech legislation or else they will have to leave the Czech Republic.

He suggested Slovakia, Hungary, Poland, France, and Spain as possible countries of the Romanies' emigration.

Premier, Deputy Invited to Clinton Inauguration

U.S. Embassy Unaware of Invitation

AU2001200993 Bratislava NARODNA OBRODA in Slovak 19 Jan 93 p 2

[Report by Ivan Horsky: "The White House Invited Only Ambassadors; On the Invitation of Vladimir Meciar and Roman Kovac to Bill Clinton's Inauguration"]

[Excerpt] Bratislava— My reference to the "alleged" invitation of the Slovak prime minister and deputy prime minister to attend the formal inauguration of new U.S. President Bill Clinton, made in the second "Aktuality" news program on television on Sunday [17 January], stirred commotion in Slovak political circles yesterday. As even the prime minister's press spokesman reacted to my words in the Radio Journal program yesterday at noon, I tried to obtain details on this invitation. I had a chance to look into the appropriate documents, from which it clearly transpires that Messrs. Vladimir Meciar and Roman Kovac had indeed received this invitation. The invitation is from the Committee for the Inauguration of the 42d U.S. President (as is incidentally borne out by the letterhead reproduced above). We have also managed to learn from well-informed circles that the invitation had been arranged for them by Mr. Mrazek, Democratic member of the House of Representatives, who has evidently assumed the task of engaging in activities benefiting Slovakia or, as they say overseas, to be Slovakia's lobbyist in Washington. We do not know whether he is also registered as such, for we have not contacted the congressman yet. Yesterday was a U.S. holiday and we were therefore unable to ask diplomats at the U.S. Embassy in Bratislava about the whole matter. Nonetheless, we have learned unofficially that the embassy's acting chief expressed slight astonishment at the invitation because he knew nothing about it. According to information from Washington, the White House protocol had invited to Clinton's inauguration only the heads of diplomatic missions accredited in the United States. We have also learned from circles close to the Government that Prime Minister Vladimir Meciar is planning to pay an official visit to the United States next month at the earliest. [passage omitted]

Invitation Authenticity Confirmed

AU2101124893 Prague CTK in English 1959 GMT 19 Jan 93

[Text] Bratislava, Jan 19 (CTK)— The disclosure of the proposals for ambassadors-nominees before the countries involved gave their agreements, was just not a right step, Bohuslav Geci, the spokesman for the Slovak Government, said in Bratislava today.

Speaking at a press conference, he stated that as yet no signs have appeared that any of the proposed ambassadors would not meet with the agreement of their host countries.

The list of ambassadors, including Ivan Mjartan, proposed as the Slovak ambassador to the Czech Republic, was published at the January 12 government session.

Deputy Premier Roman Kovac confirmed that he and Premier Vladimir Meciar have been officially invited to the January 20 inauguration of U.S. President-elect Bill Clinton. However, neither of them will attend the event. They will leave for the United States only in late February, as scheduled, Kovac said.

He went on to say that he cannot attend Clinton's inauguration because, as a Slovak presidential nominee, he must hold a lot of talks and cannot afford to drop out.

Late last week, an adviser to Kovac questioned a CTK report that U.S. Inauguration Committee official Alan Clark did not confirm to CTK that the Slovak top representatives had been invited to the ceremony.

[Bratislava PRAVDA in Slovak on 20 January on page 2 carries a 200-word TA SR report on the above news conference, which includes the following passage: "Roman Kovac stressed that the Inauguration Committee had invited them as guests, which is why they do not figure on the list of diplomatic representatives who had been invited by a different section of the Inauguration Committee that is led by Mr. Clark. Kovac confirmed that the invitation had been mediated by Senator Mrazek, who is a great protector of Slovaks in the U.S. Senate."]

Clinton Inauguration, 'Intentions' Discussed

LD2001183093 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1100 GMT 20 Jan 93

[Excerpts] [Announcer] The United States will have a new president in just over five hours. [passage omitted]

We will now discuss the new president, his inauguration and his political intentions with our colleague Michal Michalcik.

It has been a hit [as heard], and also partially a necessity in the West, to go through more than one university. The 42d U.S. President is no exception.

[Michalcik] Yes, Bill Clinton studied at three universities: Georgetown, Oxford, in Great Britain, and Yale, where he graduated in law. He, however, has never claimed to be a good or an excellent lawyer—maybe because his wife Hillary is also a lawyer who is quite well thought of in the United States. Before the presidential campaign she earned twice as much as her husband. Bill Clinton respects her. We don't know whether Hillary will meddle in his political ideas and final decisions as often and as much as Nancy Reagan did in Ronald Reagan's. Hilary, however, is too young, and in particular, too ambitious to devote herself solely to her family like Barbara Bush.

[Announcer] Bill Clinton had a rocket start in U.S. political life: He was a minister of justice in Arkansas

when he was only 32; later he was twice a governor of this small state. Can his political career be described as a typical path to the U.S. political Olympus—the White House?

[Michalcik] In the last few years Clinton has not tried to hide the fact that he wanted to get into high politics—it was after all his childhood dream. He had the main prerequisites: The education that opens the door to the highest positions in the United States. As a professor of law he learned to communicate with people rather well—he became an excellent orator. And even if he loves eating—he allegedly favors in particular Mexican specialities—he has been able to maintain the right image, which is essential in the United States, and not only in the world of high politics. Clinton does not come from a rich or a well-known family. As has been shown, this is not a handicap. He has been able to convince the right rich people about his abilities at the right time. [passage omitted]

[Announcer] Bill Clinton was born in Arkansas in a small town called Hope. Do you think that the new U.S. President will become a new hope for the Americans and the world?

[Michalcik] Election promises and daily politics are two different things. Bill Clinton [word indistinct] has already had an opportunity to see that. He will not be able to devote himself in the first few months solely to domestic problems, as he hoped. And as to solving them, he admitted that he over-salted the election campaign a bit.

All the latest public opinion polls show that over half of all U.S. citizens believe in and support Clinton. The support of over 100 million U.S. people is a big bonus at the start of a difficult struggle with a world of conflicts, economic problems, and also for himself. It depends on Clinton himself on how long this strong support will last.

Talks on Gabcikovo Dam End 'Inconclusively'

LD2001075793 Prague CTK in English 0738 GMT 20 Jan 93

[Text] Brussels, Jan 20 (CTK)—Talks between the European Community (EC), Hungary and Slovakia on the Gabcikovo dam dispute ended inconclusively last night, as the parties failed to reach any agreement, only succeeding in setting the date for future negotiations.

The aim of the talks, which Slovakia attended for the first time as a sovereign state without the Czech Republic, was to temporarily resolve issues tied to navigation and water levels on the Danube before the International Court of Justice in The Hague hears the case.

Hungary and Slovakia are at odds over how high water levels on the Danube and its tributaries should be left to permit navigation. Slovakia is seeking to divert some of the Danube's flow to run through the Gabcikovo dam, while Hungary, citing possible negative consequences to navigation and the environment is demanding a halt to the entire project.

The head of the Slovak delegation, Peter Tomka, told CTK that Hungary is demanding water levels along the Danube's original corridor which fall beyond the bounds of the original 1977 agreement between Hungary and then-Czechoslovakia. Hungary has since renounced the terms of that agreement, which called for the construction of a joint dam to be operated by both countries, and has stopped construction of its part of the dam at Nagymaros.

Talks are set to resume under EC stewardship on February 9 in Brussels.

Leaders Criticize Slovak Newspapers

AU1901141793 Prague CTK in English 2206 GMT 15 Jan 93

[Text] Bratislava, Jan 15 (CTK)—Slovak Parliament Chairman Ivan Gasparovic today said he did not have the impression that the daily SMENA had been objective in its coverage of events in Slovakia.

At a public meeting in the east Slovak industrial city of Kosice, Gasparovic gave as an example the case of Trnava University in central Slovakia.

He said the former editors of SMENA were the first to distort facts concerning the university and presented the case as a suppression of democracy in Slovakia.

The former chief editor Karol Jezik and director Jozef Weiss were dismissed on January 4 by Milan Sedlacek, the chairman of the Dennik SMENA joint-stock company, which publishes the paper. Economic reasons were cited as the ground for the move.

Slovak Prime Minister Vladimir Meciar, who was also present, said the former editors of SMENA pursued their business goals and prepared the issuing of their own paper ("SME NA", which appeared January 14 for the first time--ed.) long before they had been dismissed.

Meciar said it was unfair to Slovakia and its government from the former editors to turn a business matter into a political one.

Referring to the Kosice regional daily SLOVENSKY VYCHOD, Meciar said it writes openly, but I doubt whether truthfully. Ivan Luptak, a parliament deputy for the Movement for a Democratic Slovakia (HZDS), commented at the meeting: God protect SLOVENSKY VYCHOD for there is no greater proof of democracy in Slovakia so long as this newspaper exists.

Meciar Views Nation's Negative Image Abroad

AU1901191593 Hamburg DIE WELT in German 18 Jan 93 p 7

[Interview with Slovak Prime Minister Vladimir Meciar by Karl-Peter Schwarz and Carl Gustaf Stroehm in the government building in Bratislava; date not given: "Other Countries Will Continue To Trample on the Slovaks"]

[Text] [DIE WELT] George Soros, a U.S. multimillionaire who has invested a lot of money in East Europe, said recently that the most dangerous nationalists in the region are the Serbian Milosevic, the Ukrainian Kravchuk, and the Slovak Meciar....

[Meciar] I am surprised that Mr. Soros has become so rich with such a poor knowledge of human nature. By the way, we have never met.

[DIE WELT] Do you consider yourself a nationalist?

[Meciar] The cliche of the good Czechs and the nationalist Slovaks is wrong. The problem rather is the disintegration of power structures in Europe, which has opened up new roads to integration. There can be no free Europe without free nations. We are building a state for all citizens, including for those who form part of national minorities. By pursuing a peaceful road to the Slovak state, we have enriched Europe by a positive experience. We have disbanded the CSFR, but we have retained the common economic area. I cannot take the reproach of nationalism seriously. It comes from people who regrettably know only little about Slovakia.

[DIE WELT] Why has coexistence between the Czechs and Slovaks failed?

[Meciar] The common state was burdened from the start with a problem, namely with the idea of "Czechoslovakism." This idea was born during the Habsburg monarchy and was aimed against the superiority of the other nations. The Czechs were under Austrian, the Slovaks under Hungarian influence. But there has never been a "Czechoslovak nation." When Czechoslovakia was founded, a fiction was made the state ideology. Initially, this entailed advantages for the Slovaks because as a result, their Magyarization was prevented, but they were denied equal status that they had been promised.

The Czechs never honored the treaties that they signed with the Slovaks. Economically, they considered Slovakia a sort of store for semifinished products and a labor force. While we were happy at first with the Czech teacher, our enthusiasm about the Czech policeman, railroad, or local official subsided considerably. That was one of the reasons it was so easy for Hitler to smash Czechoslovakia. After 1945 we were promised that everything would change, but discrimination against the Slovaks continued.

[DIE WELT] You are the most powerful man of the new Slovak state, but very little is known about your life. How did you come to enter politics?

[Meciar] My first contacts with politics were extremely negative. In 1948 my father, who was a small entrepreneur, had his business expropriated, and from that time on, we lived in poverty. We did not even have enough money for food and clothes. I joined the socialist youth organization at 15, and when I was in the Army I was offered Communist Party membership. That was in 1962. The mood was euphoric. We were convinced we were building the most just society. Between 1964 and 1965 I was in Moscow to take part in a Komsomol course.

That led to the break. I experienced the people's fear of totalitarian power, and I met the children of the victims of totalitarianism. I saw how the political leadership lived and how the people lived. When I came back, I knew very well what I did not want, but I did not yet know what I wanted. I continued to work in the youth organization and welcomed the year 1968 enthusiastically. In the days of August I committed myself against the occupiers. Following Dubcek's resignation, I gave up all my functions, and I was then politically persecuted. A criminal proceeding against me ran for a year, and I could not find a job. I was banned from Bratislava. Then I worked at a steel mill as an unskilled worker for three years.

[DIE WELT] What significance did the national relations under communist rule have?

[Meciar] The year 1968 led to cultural disintegration. The Slovaks were recognized as a nation, and their wish for equality was respected. The constitution that was adopted at that time was a compromise. However, during the years of "normalization," everything was undone. The problems that should have been solved by 1968 were postponed for another 20 years. In this way the revolutionary change that occurred after 1989 was prepared.

[DIE WELT] Opinion polls have shown, however, that many Slovaks do not judge the period of communist rule so negatively because the country was industrialized during those 40 years.

[Meciar] Industrialization was certainly a contribution to the country's development, but the regime paid a huge price. It is true that there was full employment and stable prices and wages. To achieve that, however, no long-term investments were carried out, negative effects on the environment were ignored, and even new factories worked with outdated technologies. You can also express it this way: Investments were swallowed up.

In 1989, we did not even know what we should be opposed to. There was nothing. The ideology was spent; no one believed in it anymore. Since the seventies, the same people were in power. People here said that as long as the generals can hold their urine and a sword they will

remain in power. Those who did not offer resistance were corrupted. In this way the party hierarchy went downhill.

[DIE WELT] What was your experience in the revolutionary change in 1989?

[Meciar] Above all, we did not expect unrest to break out before December 1989 or January 1990. That it happened as early as on 17 November was a surprise to us. From the students the spark flashed over to the masses. I attended the funeral of my father on that day. The next day I went to the factory, and the first actions began. In the district of Trencin I was the chairman of the "public movement against force." We discussed the question as to how we could defeat the regime, but there was no program. Again there were people who knew what they opposed but not what they favored. When I wanted to found a Christian Democratic movement I could not find anyone to join it. It took six months for us to solve the problem of political power.

[DIE WELT] In the fall of 1990, there were heated discussions in Slovakia on a new language law that was rejected by nationalist groups. As prime minister, you sharply opposed the nationalists at that time and were considered an advocate of the common state.

[Meciar] I was trying to achieve a balance. The Czech side accepted that project. However, until its implementation in December 1990, half the accords were disputed again. At the time there were extremists in Slovakia who were intolerant of the minorities. I fought against those groups, and I succeeded in smashing them. That was apparently a mistake because afterward, when I continued to seek a balance, I was suddenly a "nationalist." Some people believed that the national emancipation process could be stopped when and if was removed from public life.

[DIE WELT] Meanwhile even Czech politicians say that your removal from the office of prime minister in April was a mistake. They now say it is true that Meciar was a tough opponent, but one could rely on him. Following his removal, the situation got out of control, they say.

[Meciar] It was a putsch, and it really pulled me down. I was defamed. For instance, I was accused of having manipulated documents of the StB state security service, and I was misrepresented as an agent of the StB and the KGB. During that time, I was alone in the government, even though extremely important tasks had to be solved. I had many sleepless nights. When I was removed from office, I heaved a sigh of relief and told myself that it was over. But then the strikes began, and the people took to the streets. They were ready to reinstall me in my former function. I had no choice but call upon the people to calm down and solve the problem democratically in elections.

[DIE WELT] When did you realize that the point no longer is to reform the Federation?

[Meciar] That was in February 1991. We held talks with President Vaclav Havel on the new constitution. We suggested that a democratic state of two equal nations should be set up. The Czech side suggested a state with a strong president. They even suggested that the prohibition to defeat the Slovak deputies in the federal parliament by majority vote should be put out of force. That was not a compromise but a step back behind the constitution of 1968.

[DIE WELT] How do you explain the Czech side's position? Did no one understand the problems?

[Meciar] They lacked the courage to call a spade a spade and discuss the problems. They only saw elements of disintegration of the empire and tried to maintain the empire. No one saw that the rescue consisted of creating something new, instead of maintaining what was old. The national emancipation process was defamed, there was talk about agents of communism, and they made fun of us. The Czech politicians were simply unable to understand the situation. Vaclav Havel was increasingly moving away from reality. I would describe the time as one of naive romanticism. After the elections, another group became influential that is certainly more radical and operates with shorter periods of time—they advocated swift integration into Europe, opening up new financial resources by discontinuing payment of funds to Slovakia, international security guarantees for the Czech Republic.

[DIE WELT] Your negotiations with Czech head of state Vaclav Klaus have often been compared with a poker game that you lost.

[Meciar] The problem that Klaus and I faced following the second elections in June last year was for us how to get out of the crisis. First we asked ourselves whether we would be able to maintain the state by peaceful means. The answer was no. The second question was whether we would be ready to use force. Again the answer was no. So the only choice left was to find a way to the partition of the state. I do not have the impression that we have lost.

At the time, the Czech side suggested a "functioning federation." That would in practice have been a unity state. As an alternative they suggested total partition. During our first meeting following the elections, it was clear that the state would be divided. That night, the Czechs were ready to promptly proclaim the end of the CSFR. The point no longer was to save the state. The point was for me to save time, and I did save time. The Czech Government, under Pithart, had already a secret partition plan. They had prepared everything, and we had not.

Klaus and I realized that there could be no common budget for 1993 any more. So our task was to use the remaining six months for a cultivated and calm partition.

In addition, we considered it extremely important to maintain the common economic area. The Czechs' original ideas were brutal—closed borders, barter deals for two or three years, then perhaps a customs union. I really do not believe that we lost, we agreed on a compromise.

[DIE WELT] Do you mean the Czechs only intended to punish the Slovaks economically for independence?

[Meciar] Everything was prepared for it. Nonetheless, we have achieved much.

[DIE WELT] Sovereignty is very popular in Slovakia, but now the price for it must be paid. Are the Slovaks prepared for this?

[Meciar] We do not have to pay for our sovereignty but for the long the crisis. Until December 1992, production decreased 30 percent. Our markets in the East are smashed, and those in the West have not been opened up. The inflow of foreign capital is still wishful thinking rather than reality. We have reached the limits of our capacity to finance the social reforms. The partition of the republics will also lead to a partition of the currencies, even though we still have a common currency. That may influence the rate of the koruna. On the other hand, it will help us. We will get direct access to international organizations like the World Bank and the International Monetary Fund. Doors will be opened to us that we did not even know existed. We will negotiate directly with foreign banks and companies. We no longer depend on a Czech official permitting the Slovak prime minister to do so.

[DIE WELT] What do you think is the main reason for the negative image of Slovakia? It is considered a state of nationalists, Tiso fascists, and communists, it is accused of being backward and not viable. You are said to intend to save communism in Slovakia.

[Meciar] Apart from a minority that is guided by bad intentions, two points of view are left: a Czech and a Hungarian view. The Czechs wanted to secure their majority. They believed our opportunities would deteriorate by international isolation, and so they were ready to do anything. Regarding the Hungarians, the matter is different. They still believe that the treaty of Trianon was not fair. They are facing the dilemma of whether they should put up with it or seek a revision of the treaty. These were the two viewpoints from which Slovakia was judged, without people looking at the real situation in our country. In addition, there was the purposive propaganda of the Czechoslovak media, of the Prague newspapers. Their commentaries were often taken over in other countries. If the situation had really been as it was described in foreign newspapers, the citizens would never have supported us in elections.

You must know that information from Slovakia went via Prague. We did not have our own news agency; the news items and reports were edited in Prague and were then passed on. That also held true for radio and television. This has changed now. We have direct contacts now, but we will have to live for some time with our negative image abroad. People will just continue to trample on us for a while. The Austrian journalist Paul Lendvai told me that, strictly speaking, we are not in such a bad situation after all, because our image is so bad that it can only get better.

[DIE WELT] But the Slovak public is also important. A large part of the Slovak media is opposed to you. Whenever you comment on the media there is a scandal. People even reproach you for jeopardizing the freedom of the press.

[Meciar] The freedom of the press is sacred to us. We have, however, evidence of financial alliances between the former government coalition and individual editorial boards. When the government knew that it would lose the elections, it tried above all to secure the backing of the mass media. We do not have our own newspaper, but we should not overestimate the influence of the media on the people. When they exaggerate problems and present them as world affairs the people here do not react.

[DIE WELT] It is true that minority rights are guaranteed in the Slovak constitution, but only to the extent that they do not contradict the majority rights. It looks as if the point is to protect the majority, not the minority. People doubt your readiness to hold a dialogue with the Hungarian ethnic group.

[Meciar] I am one of the coauthors of the constitution. We were facing a dilemma. On the one hand, we wanted to safeguard human rights and the rights of ethnic groups according to the international standard, and we even wanted to go beyond it.

On the other hand, the representatives of the Hungarian parties insisted on the right to self-determination, they called for self-administration independent of the Slovak National Council, and the right to use their language as an official language throughout the republic. In the mixed areas, they intended to create two administrative levels. We were unable to accept that, and how should we have done it? However, the discussion is not yet ended. After all, the problem that is at issue concerns not just Slovakia and Hungary but all of Europe. So an acceptable solution must also be found in the scope of the Council of Europe.

[DIE WELT] What foreign policy priorities do you set for Slovakia?

[Meciar] To be able to answer this question in a qualified way, I would have to know where Europe is going. Will there be a democratic, united Europe from the Atlantic to the Urals, or will there be a Europe in the West and another one in the East? That is a question that no one answers frankly today. Our orientation toward the European Community cannot be doubted. There is very far-reaching integration with the Czech Republic. The Austrians are closest to us regarding perspective. We do

not intend to copy their model, but it shows us the direction. Austria has also direct contacts with the EC.

All in all, in 1993 we are now facing new opportunities for cooperation in Central Europe.

Parliament Passes Laws on Citizenship

AU2101125493 Prague CTK in English 1757 GMT 19 Jan 93

[Text] Bratislava, Jan 19 (CTK)—The Slovak parliament decided not to create a provisional chamber out of the deputies to the now-defunct federal parliament after three-fifths of the Slovak legislators today rejected a draft constitutional law on the second house of the parliament.

Of the 126 votes cast, 38 deputies supported the draft law, 73 were opposed to it, and 25 abstained. The Slovak parliament has 150 deputies.

A total of 126 deputies to the former 300-seat federal parliament were elected in June 1992 in the Slovak Republic.

The rejection of the draft law is at variance with the Constitutional Law on Ending Czechoslovakia, passed by the former federal parliament on November 25.

It says that all legislative power in the Slovak Republic rests as of January 1, 1993, with the National Council of the Slovak Republic made up of deputies elected in the Slovak Republic in June 1992 to the Slovak National Council and to the Federal Assembly (parliament) of Czechoslovakia.

At its session today, the Slovak parliament approved a resolution on the foundation of the Slovak Republic, in which the deputies promise loyalty to the republic.

The deputies also passed a law on the banner of the Slovak president to mark the permanent or temporary residence of the president.

The banner is square in shape. Depicted against a red background is a blue triple-summit with a white double-armed cross. The banner is lined with the national colors: white, blue, and red.

Under the law on state citizenship passed by the parliament, applicants for Slovak citizenship must master the Slovak language.

A person is a Slovak state citizen who was a Slovak state citizen on December 31, 1992, in accordance with the law of the Slovak National Council on acquiring and losing the state citizenship of the Slovak Socialist Republic, passed in 1968. The Slovak state citizenship can be accorded to a person who applies for it and has had permanent residence on the territory of the Slovak Republic for at least five years, and who has not been sentenced for committing a crime during the period.

The decision on granting citizenship is up to the Slovak Interior Ministry.

The Slovak parliament also approved a law on the Supreme Office of Inspection, which will control the management of Slovakia's budgetary resources, state property, property rights, and state claims.

The office is not an absolutely independent institution because its chairman and deputy chairmen are elected and dismissed by the Slovak parliament.

The parliament's session will continue on Wednesday [20 January] morning.

Hungarian Organization's Initiative Protested

AU2101124093 Prague CTK in English 2042 GMT 19 Jan 93

[Text] Bratislava, Jan 19 (CTK)—Hungarian efforts to create a United Nations special commission to investigate the alleged suppression of the rights of Slovakia's Hungarian minority is damaging mutual relations between Slovakia and Hungary, Slovak parliament chairman Ivan Gasparovic said today.

Gasparovic told Slovak Television that he has no fear of the United Nations forming such a commission. I know the conditions in south Slovakia and I know they are better than just good, he said. There is an awkward attempt by our neighbors from Hungary to slowly attain something they cannot attain at home by way of other authorities and organizations, sometimes even from a position that is absolutely wrong and disinformational, he added.

Gasparovic also said these efforts could not harm Slovakia internationally because everyone can see for himself that the allegations are not true, but they could hurt both countries within the framework of neighborly relations.

About 600,000 ethnic Hungarians live in Slovakia, mainly along the Hungarian border.

[Bratislava PRAVDA in Slovak on 20 January on page 1 carries a 150-word TA SR report on the Hungarian Human Rights Foundation's letter to UN representatives and international human rights organizations. The report includes the following passage: "Jan Lisuch, state secretary at the Slovak Ministry of Foreign Affairs, described the information contained in the letter, as reported by MTI, as untrue. 'This is an attempt to undermine Slovakia's positions and international prestige on the very day when the Slovak Republic was admitted as a fully fledged member of the United Nations,' Lisuch said."]

Candidates for Presidential Elections Announced

LD1901204093 Prague CTK in English 1628 GMT 19 Jan 93

[Text] Bratislava, Jan 19 (CTK)—Four candidates for the post of Slovak president were nominated by the deadline at noon today, the Slovak parliament's press department informed CTK. The presidential election will take place on Tuesday, January 26.

The four candidates are: Deputy Premier Roman Kovac from the Movement for a Democratic Slovakia (HZDS), Parliament Deputy Chairman and First Deputy Chairman of the Slovak National Party (SNS) Jozef Prokes, Chairman of the Parliamentary Club of Deputies from the Democratic Left Party (SDL) Milan Ftacnik, and Chairman of the Slovak Parliamentary Committee for Health Care and Social Affairs Anton Neuwirth from the Christian Democratic Movement (KDH).

Parties Criticize Concentration of Power in HZDS

AU1901133093 Prague CTK in English 1916 GMT 16 Jan 93

[Text] Bratislava, Jan 16 (CTK)—The Democratic Left Party (SDL) and the Social Democratic Party of Slovakia (SDSS) today said they consider to be dangerous the gradual concentration of power in the hands of the ruling Movement For a Democratic Slovakia (HZDS).

The two parties made a joint statement during their talks in Bratislava.

The government is inclined to usurp political and economic power, SDSS Vice Chairman Jaroslav Volf said after the meeting. SDL Chairman Peter Weiss failed to directly answer the question whether his party would refuse to support the HZDS candidate for the presidency.

Both parties criticised government economic policies, particularly the government's failure to react to the soaring prices after the new tax system was introduced at the beginning of this month.

According to Weiss, the two parties will put up joint candidates' lists for local by-elections. Volf dismissed views that the two parties might merge in the near future.

Weiss said the SDL continues to favour the transfer of former federal parliament deputies to the Slovak parliament.

Investment Protection Accord Signed With Czechs

LD1501211893 Prague CTK in English 1642 GMT 15 Jan 93

[Text] Bratislava, Jan 15 (CTK)—The Slovak and Hungarian finance ministers, Julius Toth and Mihaly Kupa, signed an agreement on the protection of investments here today.

Toth told CTK that the Council for the Customs Union between the Czech and the Slovak Republics will meet for the first time in Bratislava on Monday [18 January]. The purpose of the talks is to resolve problems which have arisen in connection with the movement of goods between the two republics, he said.

The council is expected to work out its statutes and set up its permanent office, he added.

Wages, Pensions, Cost of Living Statistics Cited

AU1901174693 Bratislava PRAVDA in Slovak 18 Jan 93 p 1

[TA SR report: "Not At All Pleasant Reading"]

[Text] Bratislava—Some 19 percent of private businessmen have, according to figures released by the Slovak Statistical Office, a monthly income of more than 17,000 korunas. At the same time, the average monthly salary in the Slovak national economy reached 4,051 korunas during the first six months of 1992. People working in finance and insurance have the highest monthly salaries, 6,600 korunas, while people working in agriculture have the lowest, 3,281 korunas.

The average monthly old-age pension—on 30 June last year—for people who received salaries was 2,107 korunas, which, compared to the 1991 average, is an increase of 163 korunas. The average old age pension for cooperative farmers increased from 1,615 korunas in 1991 to 1,800 korunas in 1992, that is, by 193 korunas [sentence as published].

Consumer prices during the first six months of 1992 increased by an average of 60.6 percent in comparison with December 1990. They increased by an average of 1.4 percent in comparison with December 1991. Development in consumer prices is manifested significantly in the cost of living, which, compared with the first six months of 1991, increased by 13.1 percent (by 12.7 percent for wage earners, by 13.8 percent for farmers, and by 14.8 percent for pensioners). From the point of view of consumption, housing costs are restrictive. Their portion of consumer basket expenditure was 14.4 percent; however, this figure increased to up to 20 percent in pensioners' households. Expenditure on food amounts to 40.1 percent.

In view of the increase in the cost of living, unemployment, and the rise in incomes, it is possible to presume that the number of households dependent on welfare at the end of last year increased to 6-8 percent and the number of households with dependent minors increased to 11.13 percent.

National Bank Officially Begins Operations

AU1901141593 Prague CTK in English 2118 GMT 15 Jan 93

[Text] Bratislava, Jan 15 (CTK)—The National Bank of Slovakia officially began operating today.

On opening the bank, Vice Governor Marian Tkac was quoted by the Slovak Television as saying that no date for dividing the Czechoslovak currency has yet been set.

What is certain is only that Slovak and Czech representatives will meet at Smolenice (near Bratislava) on January 25 in the Monetary Committee to discuss documents without which the currencies cannot be separated, Tkac said.

He added that Slovak representatives will visit the U.S.-based International Monetary Fund (IMF) and the World Bank next week with a blueprint of a memorandum on relations between Slovakia and the IMF.

Vice Governor on Currency Question

AU1901195593 Bratislava HOSPODARSKE NOVINY in Slovak 18 Jan 93 pp 1, 3

[Interview with M. Tkac, vice governor of the National Bank of the Slovak Republic, by Alena Melicharkova; place and date not given: "The Koruna at the Crossroads"]

[Text] The Czechoslovak koruna is the most topical problem occupying the minds of almost everyone. Apart from numerous false and jittery rumors, there was some information in the mass media to which competent people should react. This is why we put several questions to Marian Tkac, vice governor of the National Bank of the Slovak Republic.

[Melicharkova] According to a recent article in RUDE PRAVO, the confidence of Slovaks—but of foreign countries, too—in the common currency declined, and this stimulates its faster separation. How do you see the current situation?

[Tkac] Development since 1 January has been almost equal in both republics. I am taking the liberty to say that in the Slovak Republic this confidence is slightly better, that is, the decline in confidence in the Slovak Republic is not greater than in the Czech Republic. I received data according to which the deposits by Slovak citizens in Slovak banks and saving banks were larger in January than the deposits of the Czech citizens in the Czech financial institutions. This would mean—to paraphrase the daily you have mentioned—that confidence in the future Slovak currency is higher than confidence in the future Czech currency. I am really an optimist. There is no law that one currency should develop better than the other. At this moment, I cannot say anything precise or give any figures. Certainly, each side would be glad if the development in their country were better. I would like to see a good development in both republics.

[Melicharkova] Foreign banks refuse, reportedly, to accept the Czechoslovak currency. How will relations develop between these banks and the National Bank of the Slovak Republic?

[Tkac] I must modestly say that relations between the National Bank of the Slovak Republic and Central European banks have not been established yet. I have certain contacts with governors of some West European banks and banks of the neighboring countries. However, this does not fill us with optimism to believe that they have recognized us. On the other hand, I believe that after the leading positions within the National Bank of the Slovak Republic are filled, the situation will improve. On Monday [18 January], I will hold a discussion with representatives of the Bank for International Settlement (BIS) in Basel. I want to discuss Slovakia's successorship in that bank. At the moment, I cannot boast too much, but I have no reason to be unhappy, either. Our bank has been in existence for 15 days, and everyone understands it. I am happy that on 6 January we secured three payments for abroad, and my colleagues are successfully dealing in our foreign currency reserves. I know that there is much left to be desired, but nothing testifies to the fact that after the separation of the currency we would not manage the situation.

[Melicharkova] I will go back to the currency reserves that you have mentioned. The banks are reportedly under siege, and people are withdrawing foreign currencies up to the set limits...

[Tkac] It is true that Slovak people are buying more foreign currencies, more than they did last year. On the other hand, they deposit more on their foreign currency accounts in our banks. That is, there is no danger of a rapid decline in our foreign currency reserves. The National Bank made three public announcements before it had taken measures. I believe that because of that, the confidence of the public is certain and will even rise. According to specific figures, the National Bank of the Slovak Republic shared one-third of the former Czechoslovak State Bank's foreign currency reserves, and today this share is not smaller than one-third, either. The development in currency reserves of the Czech National Bank and those of the Slovak National Bank is basically the same. Because of that, there is no threat of separation of the currency. Similarly, there is no danger of the separation on the grounds that our koruna-denominated deposits would go to Moravia or Bohemia. In fact, crowds of people in front of the banks in Slovakia testify to the fact that our future currency is trusted.

[Melicharkova] Regarding our Slovak currency, will we be able to maintain its value and exchange rate?

[Tkac] The talks in the IMF in Washington (this week)—where we are going to come up with some alternative proposals—will rectify our direction in our economy and currency development. (The Slovak Government had drafted a memorandum slightly different from the memorandum presented by V. Klaus for the CSFR two years ago.)

[Melicharkova] The CSFR quota in the IMF, which has been divided between the Czech Republic and the Slovak Republic in the 2.29:1 ratio, will also have its impact on maintaining or separating the Czechoslovak currency....

[Tkac] I would be lying if I did not admit that the division of these quotas will have a certain—if not a large—impact on the future exchange rate between the Czech and the Slovak koruna. We must also say that this ratio is based on the figures characteristic for the Czech and the Slovak economy at the end of 1992, that is, they are based on deformations that existed in the sphere of tax collection and bookkeeping. That is, many joint enterprises were based in the Czech Republic rather than in Slovakia, and they did the bookkeeping. We spoke about it, but we were not able to provide reliable proof. This is why I am not wondering that the IMF took official statistics as the basis for their decision. There is nothing else left for Slovakia than to prove that these figures were distorted and that the economy was developing in a different way.

[Melicharkova] Is there a possibility, then, that the Slovak Republic will accept the division of IMF quotas and other conditions?

[Tkac] I assume that the Slovak Republic will accept it. Our voting rights in the IMF are smaller, because of that, but in a certain sense, this is negligible. Since it will draw on smaller credits, the Slovak Republic will have to pay a smaller debt, however. I believe that during discussion with the Czech side, we will also divide our obligations toward the IMF accordingly. In a certain sense, the division of this membership quota means that there will be greater demands on our economy. I, personally, am an optimist, however.

[Melicharkova] Let us return to the current situation in banks. What amount have the deposits reached?

[Tkac] It is difficult to give an exact figure. I have figures only on two largest banks. In the first 15 days of January, they acquired deposits amounting to almost 1.5 billion korunas. For the bankers, this is an interesting figure, since the opportunities to provide credit rose by the same amount. By the end of 1992, there were less than 100 billion korunas in circulation in the entire CSFR, and the trend was to reduce the amount of money in circulation. If this figure, which I have given, is correct, and if this figure in the Czech Republic is double that amount, or even larger, then it does mean that the amount of money in circulation is decreasing. This is advantageous when separating the currency, since it will not be necessary to stamp a large amount of bills. Originally, we wanted to begin stamping after a special stamping machine is completed. We thought that if the stamping began somewhat later, we could to in mechanically. Our friends in Bohemia, however, surprised us—in a negative way, maybe—since they have stamped the currency quickly, so we, too, have taken a similar approach. We are doing the same. The machines I have mentioned will be installed in the banks, however. Stamping will take, apparently, a longer time and will possibly continue even after the currency is separated, since the first Slovak banknotes will appear only by the end of June, or beginning of July. That is, we will use the machines and then these machines become exhibits in the National Bank of the Slovak Republic museum. However, the sign carrying the name of the Czechoslovak State Bank, which we took down from the building on the last day of the year, will become the very first exhibit there.

[Melicharkova] One more question, in conclusion, about reports that issuing government bonds helps keep the inflationary spiral turning....

[Tkac] This is a complex question. It would certainly be best if the Slovak budget ended without deficit, or in surplus. We would burn the appropriate amount of money, and the currency would become stronger. However, as you know, the U.S. dollar, for example, is strong despite the fact that their state budget has a deficit of $4 billion. That means, that not only the deficit and its amount have an impact on the quality of the currency. If the deficit is covered not by issuing new money, but by loans from abroad—which puts the wheels of economy into motion and creates job opportunities—then the inflation is not let loose. There is a deficit one day and a surplus the next. Our interest is to keep both in balance and support a stable currency.

Czech Demand for 'Compensation' Rejected

AU2001145293 Bratislava NARODNA OBRODA in Slovak 19 Jan 93 p 1

[TA SR report: "Settlement of Coupon Privatization: No Agreement Reached"]

[Text] Bratislava— Lubomir Dolgos and Jiri Skalicky, ministers for the administration and privatization of national property of the Slovak Republic and the Czech Republic, have failed to reach an agreement on the method of settling the results of the first wave of coupon privatization. Proceeding from the disparate volume of shares in Czech enterprises ordered by citizens of the Slovak Republic and vice versa, the Czech side demands 19 billion korunas in compensation from the Slovak side. The difference is supposed to be offset by a transfer of shares between the republican national property funds. The Slovak side proposes a settlement to the tune of 800 million korunas. The dispute will be taken up by the Commission for the Division of Property at its meeting in Brno on 21 January.

Arms Modernization Investments Not Considered

LD1501212893 Prague CTK in English 1754 GMT 15 Jan 93

[Text] Bratislava, Jan 15 (CTK)—Slovak Economics Minister Ludovit Cernak said today that the Slovak Republic is not considering investing in modernisation of arms production at present, given the fact that world markets are oversupplied with weapons.

Cernak told journalists that Slovak arms production capacities are currently only being used at 50 per cent. An annual drop in arms production by five to ten per cent is being planned in future provided their export to nonrisk regions is ensured, he added.

Correspondents View Clinton's Policies

LD2001234493 Budapest Kossuth Radio Network in Hungarian 1730 GMT 20 Jan 93

[Excerpts] [Announcer] Good evening, Miklos Lengyel is at the microphone. This afternoon, at 1800, William Clinton was sworn in as President in Washington. We will deal with this topic in our program. Two of our correspondents will report from the scene on what they can see and what the Americans are expecting from the 44-year-old President. Gyorgy Bolgar is sitting in our studio; he has been reporting for Hungarian Radio from New York for four years. We are expecting answers from him particularly about the question of what we can expect here in Central-Eastern Europe during Clinton's presidency.

Clinton is a representative of a new generation. He is the first American President who was born after the Second World War. What is expected from him in America? You can hear Julia Torda and Miklos Martin Kovacs from Washington.

[Kovacs] When the new President enters the door of his new office, he had better forget everything that citizens honored and respected him for so far. A new chapter begins, President Jefferson once said as a lesson for all his successors.

[Torda] Bill Clinton has learned the lesson, and it seems as if now he is more afraid of losing personal relations with the electorate than during the campaign. This is why these hours, in the middle of the inaugural celebrations, what he has earlier mentioned at the meetings with governors can be heard. [passage omitted]

[Torda] Bill Clinton does not have to ask the press to warn him of his mistakes, since commentators have already started. For example, he was blamed for the fact that the appointments of those working in the second and third echelons of the government are going ahead too slowly. Not to speak about the fact that politicians who are to get the Cabinet portfolios do not really represent, at first sight, the generation change, the promise by which Bill Clinton won the election.

[Kovacs] The Cabinet post which is said to be the most important is the post of treasury secretary. This was given to the 71-year-old Lloyd Bensten. The secretary of state is 67-year-old Warren Cristopher, who was the number two man responsible for foreign affairs in Jimmy Carter's government. Thus there is some fear among the experts that the great intent of change will be sacrificed by Clinton's carefulness.

[Torda] However, the explanation is that the new President does not want to make the same mistake as Jimmy Carter and fill the Cabinet posts with people from the south who do not have experience in Washington. However, in spite of this care, some embarrassing cases have happened, over which the new President probably has already had some uncomfortable moments.

[Kovacs] Indeed, it seems rather disappointing that, while he has issued the strictest ethical codes of all times for his colleagues, he inexplicably insists on the appointment of those candidates about whom it has been revealed that they have made mistakes which are incompatible with their position. Although it is true that hundreds of thousands of people employ illegal immigrants for housework with cheap wages, if it is done by somebody who is expected to be the attorney general it can hardly be forgiven. Furthermore, it was unfortunate that it was revealed about the otherwise respected candidate for the post of secretary of state that once he had not told the truth before a congressional committee. Also the expected head of the Commerce Department is in too close connection with leaders of American and foreign firms, if for no other reason than because he made his living by representing their interests in Washington.

[Torda] However, the new President does not have to expect surprises on behalf of the White House chief of staff. He has chosen for this very confidential post, in the strict sense of the word, a man whom he has known since childhood. Thomas McLarty, who is also 46, will have enormous power as White House chief of staff, since it will mainly depend on him who can get to see the President. [passage omitted]

[Kovacs] The real mystery these days for those journalists who want to find out the intentions of the President is why Vice President Al Gore remains silent, someone who has earlier been rather talkative and who played a key role in the victory. There are rumors that he has intentionally been overshadowed, preventing him from having too much influence. President Clinton has denied this, and at the inauguration ceremonies the two politicians appeared side by side, but the inner circle knows that at the allocation of Cabinet posts Al Gore was mainly an observer.

[Torda] At the same time, the President's often-criticized wife Hilary has been playing a main role. It is a fact that the future first lady, since the election of her husband, has visibly been looking for the opportunity—in front of the curious cameras, at conferences—to whisper something in Clinton's ear, sometimes in the most striking way, or be the first to lead the President aside. Basically, Bill Clinton does not deny that he strongly reckons with Hillary's opinion, and it can be expected that he will give her an office near the Presidential office. Some citizens do not like this, if for no other reason than it is not Hilary they elected.

[Kovacs] The decisions, even the very first few, have received a lot of criticism. Since a few days ago it has started to seem that Bill clinton can hardly fulfil his nice-sounding promises made during the campaign. For example, he obtained the favor of a lot of the electorate with promises of tax cuts for the middle class, but it has already become clear that the budget deficit makes it impossible, and even a tax increase is near certain. [passage omitted]

Bill Clinton should not forget that, at the election in November, the two other candidates received more votes altogether than he did; that is to say he has to convince a lot of American citizens that he is indeed a true President. Here in Washington those who went out onto the streets and have been listening and watching the events of the inauguration ceremony like us, clinging to their pocket radios, are unanimously Clinton fans. They are Clinton fans for themselves and for the country and, let me add that even if they do not know about it, they are Clinton fans for the world as well. However it may be now that the United States is the only superpower in the world, and I believe that the fate of all of us depends to a significant extent on how the United States forms its own policy in the following years and how successful it will be. I think that such a subjectivity can be tolerated and I think that the best we can do is to congratulate Bill Clinton and wish him success. [passage omitted]

[Announcer] Gyorgy Bolgar was the Hungarian Radio correspondent in New York for four years. My first question to him: To what extent is the newness that Clinton and his team will bring and represent in America?

[Bolgar] I think this could be answered probably in four years time, as to what extent Clinton was successful, different, new, and young. This generation change is very much emphasized by every observer, both in America and outside it.[passage omitted] The reason I am a bit skeptical is that the situation facing the United States is defined by very many factors, regardless of who is President. Although the cold war has ended, Russia is still a mighty nuclear power, a country which even today is be capable of destroying the United States many times over. [passage omitted]

[Announcer] We Hungarians, who are not exactly in the same league as the world powers, here in Central-Eastern Europe, in this not really fortunate corner of Europe—what can we expect from Clinton, since Arkansas is very far from here?

[Bolgar] The reply is in the question. If we look at various sides of the new President's inauguration and his expected activity, one has to say that Clinton can not very well do things very differently from Bush. It is possible that some distinct change will take shape during the forthcoming four years, but my feeling is that the present situation limits and squeezes him. Thus the Eastern-Central European policy of the U.S. Administration will depend to a large extent on what is going to happen in Russia. If Russia proceeds on the road of democratization, if the market economy is developed, slowly but surely Russia will cease to be a threatening superpower vis-a-vis the United States; then Central-Eastern Europe will not be a place where the danger of colonialism from a threatening dictatorial superpower should be reckoned with. If the Bosnian war does not spread further than the Balkans, and the smaller and larger states of the region experimenting with democracy proceed on the road they have chosen, the United States will be very pleased, as was Bush. [passage omitted]

In plain English, even if Clinton outlined a totally different picture of Eastern-Central Europe for himself than Bush—though I do not think that this is what happened in Arkansas—he would still be rather squeezed into a very tight corner, which sometimes, unfortunately happens even to an American President. Thus even he can not do everything that his heart would dictate. Also of course, all the signs indicate that, for Clinton, it is not Central-Eastern Europe that will be the priority, but to try to put the American economy in order. [passage omitted]

If things go relatively well in Eastern-Central Europe in the next four years of Clinton's presidential term, it can be expected that the United States will pay relatively little attention to this region simply because it is not important strategically. However, if things do not go well, that is, if the Bosnian war spreads further in the Balkans, let us suppose to the south, toward Albania, perhaps Greece, a NATO member state, will be endangered from some point of view, if thousands and millions of refugees rush to Western Europe, mostly to Germany, if Germany's stability is in danger because of this, etc., then it will be unequivocal that the United States will not be able to keep a distance from Europe. [passage omitted]

No matter how much Bush emphasized that the success of the Eastern and Central European democracies were of primary importance, in fact, the peaceful transformation of the Soviet Union was the priority, and it is probably going to remain so.

[Announcer] It is said about Clinton, and generally about the Democrats that they take human rights more seriously than the Republicans. We heard that the U.S. Administration, regarding human rights and the freedom of the press, although it evaluated the developments in Hungary positively, it also found a lot to be criticized in the Hungarian press. To what extent is it possible to take us seriously, and can we expect that they will actually take steps in the interests of human rights? To what extent will this remain on the level of rhetoric?

[Bolgar] The Americans mean this absolutely seriously. [passage omitted] If the U.S. State Department ascertains of a country that it is not democratic, or there are disturbing signs in the press or politics, or they see the signs of dictatorship, American businessmen will also become a bit more cautious. [passage omitted] If American businessmen and investors think that political disturbance can be expected in a region, and that there is no peaceful, democratic order, they get frightened and take their money away. Thus, from this point of view, the issue, as to what extent does Clinton and his government observe the development of democracy and human rights in Central-Eastern Europe, is a vital issue for the region, from a financial point of view.

Defense Spokesman Discusses Arms Acquisitions

AU1901203193 Budapest UJ MAGYARORSZAG in Hungarian 13 Jan 93 p 5

["B.J."-signed interview with Defense Ministry Spokesman Lajos Erdelyi; place and date not given: "Will We Also Receive MiG-29 Aircraft?"]

[Text] We asked Defense Ministry Spokesman Lajos Erdelyi about settling the $800 million Soviet debt to Hungary.

[Erdelyi] It is well known that the Russians would like to settle this debt by selling weapons. I would like to stress that, as opposed to various rumors, our ministry has not made any specific details public because it cannot make anything public yet. Expert negotiations have just begun, negotiations that will try to coordinate the Hungarian demands and the Russian possibilities.

[UJ MAGYARORSZAG] Some people claim that, among other things, we might also receive 26 MiG-29 aircraft.

[Erdelyi] I do not know where this "rumor" comes from, because this is news to us, too, and we do not know about this. I would like to clearly point out that no specific agreement has been made on this so far.

[UJ MAGYARORSZAG] According to the Slovak and Romanian press, Hungary is preparing for a large-scale armament. Is this true?

[Erdelyi] It is well known that the Hungarian Army has an outdated technology. This possible import of arms would only be sufficient to halt the dangerous decline in one or two areas. In this respect, our air force and antitank units would enjoy priority. Thus, a partial renewal of our defense system could take place. In other words, we are not arming ourselves.

Interior Minister on Domestic Power Structure

AU1901134693 Budapest NEPSZABADSAG in Hungarian 13 Jan 93 pp 1,4

[Interview with Interior Minister Peter Boross by Peter E. Kovary in Kistelek, Csongrad County, on 12 January: "Boross: The Weak State Is a Dangerous Illusion"]

[Text] We want a functioning Hungary where it is possible to live, and the state's increased role is part of this, Peter Boross said on 12 January in the Csongrad County community of Kistelek where he participated in an open forum organized by the local Hungarian Democratic Forum [MDF] group.

Prior to the forum, Boross met with the region's police captains. He then met with the town's deputies, where the issue of local government, including that of Kistelek, was discussed. Afterward he answered questions from reporters and gave an interview to our correspondent.

Boross said that the government considered it very important to normalize the economic situation of the local governments, to rehabilitate the villages, and to return some of the public institutions to the small and medium-size towns from the counties, thus allowing the intelligentsia to return to these places.

[Kovary] In another interview, you said that, in these days, a weak state has a different international status. Accordingly, are you in favor of a strong state which also includes a strong police?

[Boross] I would refrain from using the term strong state, because since the days of Stalin, this has very bad connotations. I certainly prefer a stronger state, however, to the idealistic weak state—a state that can defend its citizens, for example, from increasing crime or from environmental damage.

A strong state is able to achieve change when local governments perhaps violate individual or community rights. We also have to remember that Hungary has found itself in a geopolitical situation in which it will be surrounded by unrest for at least 10 years. In such a situation, considering the foreign and domestic factors, the notion of a weak state might be a very dangerous illusion.

[Kovary] Is the frequent statement, which claims that election victory for Antall's center-right group is a guarantee for controlling the MDF right wing, an illusion? Even if we recognize that, today the power structure within the MDF actually affects everyone in Hungary.

[Boross] You mean whether the MDF is splitting up and what it does with its right and left wing? We could also ask what the Alliance of Free Democrats is doing with its own hard core, or what is happening to the various trends in the Hungarian Socialist Party. To return to the original question, it is a historical fact that only the center right has ever been able to establish a lasting state and government in Hungary—naturally, without the support of foreign armed forces. On the other hand, I can only repeat that I cannot see any left-wing force on our political map which would be able to govern, nor can I see the any future for this kind of coalition. The fact that the opposition parties go to see the president together does not mean there is a coalition. Naturally, the MDF embraces a very broad spectrum, and disputes and certain signs of extremism necessarily appear in it. The similarities of our attitudes, however, hold us together in the end. If I am wrong and the left wing—by this I mean those sitting on the left in Parliament—should win, then I am convinced that the popular response would necessarily be a shift to the right. Not in an extreme way, naturally, because Hungarians are not an extremist people.

[Kovary] We have heard increasing rumor that the elections might be "postponed."

[Boross] According to the electoral law, the elections have to be completed by 2 August 1994. This will

happen. News contrary to this is in very bad taste. People aware of our insistence on legality—I am mainly referring to the prime minister—could not seriously assume anything like this.

Csurka Declines Candacy for HDF Chairmanship

AU2101110293 Budapest MTI in English 1656 GMT 19 Jan 93

[Text] Budapest, 19 Jan (MTI)—The Hungarian Democratic Forum (HDF), the main party of the ruling coalition, opens its three-day 6th national assembly (Congress) in Budapest on Friday [22 January].

Beforehand, HDF Presidium member MP Istvan Csurka, leader of the party's popular-national wing, met the press saying that publicity was required in view of "shortcomings" in preparing the national assembly.

Csurka recalled that conflict had culminated around the meeting's agenda and the way to elect a party chairman. He called it unacceptable to begin the assembly with the election without candidates being measured or given an opportunity to speak.

Answering questions, Csurka confirmed he had no intention to run for party chairman, especially since he does not want to be prime minister. (At present, the two posts are filled by the same person, Jozsef Antall.)

Csurka said that as the question of separating these two functions was likely to put the national meeting to a painful test, it was more appropriate to discuss it at a later date.

He also stressed he did not wish to openly attack Jozsef Antall, but would like to see an end to the practice where certain people could not be criticised.

Walesa Sends Congratulatory Telegram to Clinton

LD2001204093 Warsaw PAP in English 2008 GMT 20 Jan 93

[Text] Warsaw, Jan. 20—Polish President Lech Walesa on Wednesday [20 January] sent a congratulatory telegram to the new U.S. President Bill Clinton, on the day of his inauguration.

In his message, President Walesa offered President Clinton "the most heartfelt and sincere wishes that you are able to fulfil to the best your great mission." He recalled the friendship which links the two countries, and "the support, both moral and concrete" which the United States had many times offered to Poland.

"We still hope for understanding of our problems and assistance," the cable read.

"Poland also considers herself an ally of the United States, and we link our security to the country which you now lead. Poland exists in Europe, and the security of Europe unequivocally depends on the presence (in Europe) of the United States of America."

Skubiszewski on Cooperation With France, Germany

LD1901164193 Warsaw PAP in English 1431 GMT 19 Jan 93

[Text] Warsaw, Jan. 19—Foreign Minister Krzysztof Skubiszewski Tuesday [19 January], after his return from Paris, stated that cooperation with France and Germany is especially important for Poland's striving to join West European structures but added that this process has to be gradual.

While in Paris Skubiszewski attended a conference devoted to the future of French-German cooperation organized to mark the 30th anniversary of signing the Elysee Treaty. He also met on Monday with his French counterpart Roland Dumas.

According to Skubiszewski the trilateral French-German-Polish cooperation is essential in light of the fact t[illegible]East-West line linking Warsaw and Paris still re[illegible]all geostrategic importance".

Skubisz[illegible]i said that his talks with Dumas had focused on Poland's ties with the European Communities and Franco-Polish cooperation in various fields, especially France's financial support for Polish economic and administrative reforms.

Yeltsin Aide Stresses Importance of Relations

LD2001200893 Warsaw PAP in English 1926 GMT 20 Jan 93

[Text] Warsaw, Jan. 20—Relations with Poland are one of Russia's top priorities, declared visiting political aide to the Russian president Sergey Stankevich at a meeting with Polish Foreign Minister Krzysztof Skubiszewski on Wednesday [20 January]. Stankevich, who also met Deputy Prime Minister Pawel Laczkowski, discussed Wednesday the Russian president's forthcoming visit to Poland and the Katyn tragedy.

Stankevich invited to Poland by the Federation of Katyn Families, declared that the investigation into the murders of Polish officers in Soviet Union during World War II is to be completed this year.

Poland appreciates Stankevich's commitment to reveal the Katyn crimes, Skubiszewski stressed and added that such an attitude helps to make a breakthrough in the relations between the two countries.

Both sides talked about the necessity for Poland and Russia to develop good-neighbourly relations in spite of the tragic past. The foreign minister emphasised that relations with the new democratic Russia are of the utmost importance to Poland. Stankevich underlined that relations with Poland are one of Russia's political priorities as well.

While discussing Yeltsin's visit to Poland scheduled to take place in the coming months Stankevich said that the Russian side would like to talk about economic cooperation, mutual financial settlements, conditions for Polish businessmen to operate in Russia, border crossings and customs duties.

Politicians aired the opinion that signing of economic agreements would be the most vital element during Yeltsin's forthcoming visit to this country.

Stankevich and Laczkowski also discussed means of combatting organised crime and preparations for an international conference on the subject to take place in Poland in a few months' time.

Later in the day, Stankevich and Poland's primate Cardinal Jozef Glemp discussed chiefly relations between churches, societies and authorities of both states. Stankevich said he examined the role of the Roman-Catholic Church in Poland in view of the revival of religious life in Russia.

Stankevich also met head of the Sejm Foreign Committee Bronislaw Geremek to discuss participation of the Polish and Russian parliaments in shaping new mutual relations.

Geremek told Stankevich his committee would soon deal with the access to this part of Russian archives that covered Poland's contemporary problems. Geremek said the meeting gave him an opportunity to thank Stankevich for positive role he played in disclosing the Katyn crime.

Cites Documents To Be Signed

LD1901174093 Warsaw PAP in English 1537 GMT 19 Jan 93

[Text] Warsaw, Jan. 19—Political aide to Russian president Sergey Stankevich, who is paying a four-day visit to Poland, said that Polish and Russian presidents are expected to sign more than 10 documents during the forthcoming Boris Yeltsin's visit to Poland.

Stankevich met Tuesday [19 January] the head of the Presidential Chancellery Janusz Ziolkowski and Secretary of State Andrzej Zakrzewski. He also held talks with Senators Edward Wende and Stefan Sniezko from the Senate's Committee for Foreign Affairs.

"Preparatory arrangements for Yeltsin's visit scheduled to take place within the coming months are very intensive," said Stankevich. He added that Polish and Russian presidents will discuss a wide range of topics, economy as well as humanitarian issues.

The most important items will cover the status of the Kaliningrad region, Russia's western enclave adjacent to Poland, financial settlements hindering trade cooperation, power industry and supplies of raw materials, especially those of natural gas. Both countries will also start collaboration in combating organised crime.

Stankevich stressed that despite a very complex situation in Russia "there is nothing to prevent preparations for the visit. On the contrary, in a difficult situation it is reliable partners that are the most important. We consider Poland to be such a partner", he concluded.

Economic Protocol Signed With Russia

LD1501213793 Warsaw PAP in English 1838 GMT 15 Jan 93

[Text] Olsztyn, Jan. 15—Local officials from the Russian district of Kaliningrad and their partners from the Polish north-eastern province of Olsztyn signed on Friday a protocol envisaging the development of cooperation, mainly in agriculture.

The Russian delegation, that ended its working visit to Poland on Friday [15 January], confirmed their interest in offers made by Polish firms but above all the guests wanted to examine chances of increased supplies of farming equipment and spare parts.

An adviser to the Polish farming minister said the central authorities treated the cooperation between the Olsztyn and Kaliningrad regions as a model one and added the ministry wanted to be a co-partner.

Geremek Comments on Current Political Scene

WS1901134993 Warsaw Radio Zet in Polish 0715 GMT 15 Jan 93

[Studio interview with Democratic Union (DU) leader Bronislaw Geremek, by unidentified radio commentator; date not given; from the "Guest of Radio Z" program—live or recorded]

[Text] [Commentator] Suchocka has been here for half a year. Is she a good prime minister?

[Geremek] I think so. You might call me partial in this matter, but I am convinced it is so. What in particular has been achieved during this half a year? The stabilization of the country's internal situation and the creation of a certain world image, which Poland has not had for a long time. Poland is treated as a serious partner, there are signs of moving out of the recession, the issue of investments and credits. Indeed, this necessary starting point for the transition to the second stage of economic transformation has been achieved. Finally, I would also add, a related element for foreign consumption. The fact that Ms. Hanna Suchocka is the prime minister is good for us....

[Commentator, interrupting] That she is a woman, that she smiles, that she speaks languages....

[Geremek, interrupting] Yes, first of all because that she is a woman, this is very relevant. We have a certain traditional image questioning the fact that a woman is a leading politician in Poland. But on the other hand, she also fosters the impression of being a competent person, and this is a very substantive element. I would take the very latest example—the Ukrainian visit, the visit to Kiev about which there appeared some not very serious press information. I can say with full conviction that this was a wonderful visit, the kind that will be well-registered by Poland's eastern policy history, which indeed well corresponds to Poland's eastern policy, which was a success, and which the Ukrainians—I had a chance to talk about it with representatives of Ukraine yesterday—are treating as a historic, and a watershed visit. In a word: this half a year, really, has had a positive balance.

[Commentator] Does this mean that Suchocka is a good prime minister, or that there is a good government? It is often said that the prime minister is wonderful and the government is not too good.

[Geremek] This is a tough question for me. I am a man of a faction which is a part of the coalition, this is a coalition government. However, I think that we are still not used to the fact that under the new constitutional law, or the little constitution, the prime minister has a special role. It is the prime minister who names the government and is responsible for its effects. Thus, by saying that Ms. Suchocka is a good prime minister, I am also speaking about the government, because if it is not

a good government, Ms. Suchocka has the responsibility to make the necessary changes.

[Commentator] You have known Suchocka for a long time, the greater public did not know her when she was a deputy. Did you expect that Suchocka would become this kind of a prime minister? Were you surprised, did she prove herself better or worse than you expected?

[Geremek] Well, I can say that due to our very long parliamentary acquaintance I have had a very good opinion about Deputy Hanna Suchocka. She is a wonderful lawyer, but I did not know if a the politician in her would be awakened....

[Commentator, interrupting] Did it awake?

[Geremek] In my opinion, yes.

[Commentator] How true is the gossip that two ministers will be soon be changed?

[Geremek] This rests in the hands of Prime Minister Hanna Suchocka. I am not one to make statements on this issue. However, Ms. Suchocka has told the coalition factions that she would like to carry out a certain review of the situation in the government.

[Commentator] How does it look inside the coalition? If a ZChN [Christian National Union] minister is removed, does this function, this post remain in the ZChN? Are these the coalition agreements?

[Geremek] I can speak about the agreements that accompanied the creation of Ms. Suchocka's government. Those were the agreements dealing with the division of the ministries with a possibility of certain shifts. Instead of one ministry a faction would receive another ministry, the certain internal proportion would be maintained.

[Commentator] Is the Union satisfied with the coalition, its role in the coalition, its participation in the coalition? Has it received what it expected?

[Geremek] When I speak about the government, I am speaking both as a citizen and a politician. If I have to talk about the Union's position toward this government, I must say there are problems. Namely....

[Commentator, interrupting] Problems with Suchocka?

[Geremek] No, problems with the government. A certain number of leading UD figures has left the Sejm group and then a certain process of alienation arose. The ministers are busy, they work, have no time to participate in club sessions. Suddenly, the club does not know what policy is being implemented by its minister. A state of discontent and frustration develops. Why are we taken by surprise on the issue of pensions, or budget, or decrees? The club knew nothing about it.

[Commentator] This is funny, this is what Kalde has been saying recently.

[Geremek] This is unfortunately a natural process. I want to say as an inside observer, from a citizen's point of view, that this is not bad. It proves that a minister does not represent particular party interests, but becomes an administrator, and has a feeling of responsibility for the state. I like it. Talking about discontent within factions, we must create mechanisms that will allow the political factions to influence the direction of the programs. Then, the direction of the programs and not specific decisions will become the issue.

[Commentator] How will it be with the broadening of the coalition? Is the expansion through the PSL [Polish Peasant Party] possible? Is there still a chance of including the PC [Center Accord?]

[Geremek] I think it is possible to broaden the coalition to include the PSL, but it calls for such a PSL stance that would turn it into a serious partner. So far, I must say this is not the case and....

[Commentator, interrupting] The PSL is not serious?

[Geremek] I cannot say that it is not serious, it is not serious as a coalition partner. A serious partner for the coalition does not act to destroy a stable government, particularly if it should join this government. Unfortunately, during voting and debates the PSL sometimes....

[Commentator, interrupting] Perhaps the PSL is looking forward to a serious proposition. Has there been a serious proposition? Has Goryszewski talked to you about this?

[Geremek] There were no serious talks, and I do not think that anyone from the government has talked to the PSL in such a way that the coalition's political factions did not know about it. I exclude this solution.

[Commentator] You have not talked with Pawlak about this subject?

[Geremek] I speak with Chairman Pawlak for many years, since my first appearance at the Sejm. I remember him well as a young deputy who made an impression on me, very combative. We have had constant conflicts with him. I am continuing these talks, I know that other people from the coalition are doing the same. These are talks that may lead to the broadening of the coalition.

[Commentator] You have not even mentioned the PC. Today, after Kaczynski's recent accusations, the situation is such that the PC, judging by what you did not say, ceases to be a potential candidate for the coalition.

[Geremek] Well, this appears to be the case. The exit of those five people from the PC is not simply a matter of Sejm statistics. A group of people has left that represented a certain responsibility.

[Commentator] Przybylowicz, Urbanski, are you talking about this group?

[Geremek] Yes, about the five....

[Commentator, interrupting] Will any of them now become ministers?

[Geremek] This rests in the hands of the prime minister. I do not know. I would like to emphasize....

[Commentator, interrupting] You do not want to talk about it.

[Geremek] The problem is the policy. What is the program? There must be talented people to do this, and I think they will be found.

[Commentator] What do you think about this affair between Kaczynski and Wachowski? Is Wachowski the man in the photograph?

[Geremek] In general, this is a terrible matter. If we consider the facts, everything seems to indicate that this is an invention and thus, a libel. If it is a libel, there is something ugly about this. I would like to say more about this. The issue is not Wachowski but the Belvedere. Minister Wachowski, in this specific constitutional structure, is responsible solely before the president and has a part of the power....

[Commentator, interrupting] Do you wish to say that the blow against Wachowski is reality a blow against Walesa?

[Geremek] Yes, and a blow at the Belvedere. I think that if one takes such a step, one should know what the consequences may be.

[Commentator] And what are the consequences?

[Geremek] Destabilization and lack of confidence in the political elites. Imagine what the public thinks of the Sejm, the Senate. Whose interest does it serve to reduce the prestige of the political authorities in such....?

[Commentator, interrupting] Who is interested in this? Is it only Kaczynski, or does the PC stand behind him, or any other known politicians, other political factions? What do you think?

[Geremek] They should be asked such questions. I can only say that, to my regret, beside political methods such as political debate and political opposition, there exist these low methods that take on the character of a brawl. This causes harm to all. The political stage in Poland should be normalized. Meanwhile, these facts are pathological. This is a disease of a very young democratic stage. I grieve.

[Commentator] We often ask this question, when politicians speak about the young Polish democracy. Are such situations, such incidents, such accusations possible in the civilized West, in America, France, or England? Do they occur there?"

[Geremek] Incidents of this kind do occur there. However, there is a legal framework such as the excellent British system, or the very good American system, under which libel does not pay. If it turns out that accusations are indeed libel, then the guilty party, a newspaper, a politician, or anyone will be indebted to the hilt. This is how it should be. Accusations should meet with a legal response. Where there is a good law, there exists a good framework for public life. Besides, there also exists the problem of political morality. This happens everywhere, a politician is accused of corruption. It happens in different countries, also in mature democracies, but mechanisms should exist to reveal the truth and later....

[Commentator, interrupting] These are the courts and the prosecutor....

[Geremek] These are the courts, and let me add, the mass media responsible for its word. They both fulfill the function of regulating the public life.

[Commentator] How in your opinion will this affair in Poland end? Will there be a trial? What will happen after the trial? Is it possible that both persons, Kaczynski and Wachowski, when this affair is somehow cleared up six months from now will still be active on the political scene? Will the one who was wrong have to disappear?

[Geremek] This is a problem between these two individuals. However, a politician who is caught red handed at slander and libel hurts primarily himself and must bear the consequences. This can be either of his own decision, or that of his electorate, which has the knowledge, awareness, and the right to evaluate.

[Commentator] You are not expressing this outright, but judging by your implications and certain words your sympathy, for the lack of a better word, is on the side of Wachowski. You rather believe Wachowski than Kaczynski, did I get your hidden meaning?

[Geremek] I, as all others, would like to have an objective view on this affair. In my opinion, as far as I now know, the accusations are groundless. Thus, it is slander. I would not like for elements of sympathy or antipathy to be present here. I want to emphasize that I am not guided by emotions or sympathies. I only wish to find out what had really happened.

[Commentator] Why would Kaczynski do such things, is he stupid?

[Geremek] How on earth should I answer this question? Politicians sometimes make mistakes, especially when they become panic stricken.

[Commentator] Does a politician always pay for his mistake?

[Geremek] No, he should pay, but does not always pay. I think that for the good of the public life there should be a price to be paid for mistakes that others must pay for. If this is a mistake for which some politician must pay for, that is his own personal affair. However, if these are mistakes for which the public life, the state, or other people must pay for, then someone must be held accountable.

[Commentator] Have the Polish politicians committed serious mistakes during the past three years? Has it happened that some politician committed a grave mistake? Or rather, did he pay for it?

[Geremek] This is a debate for historians. The politician who I am connected with, Tadeusz Mazowiecki, has had a wonderful period of creating the economic process, and the process of transformation. At a certain moment, he paid for his weak contacts with the public opinion. It was a mistake, and he paid for it during elections. He is regaining his prestige, and I think the electorate, the public opinion is also appreciative. Please note Mazowiecki's wonderful standing in the opinion polls. This may be subject to change, but for a political mistake one has to pay a political price. Other mistakes are punishable by law; in such cases law should apply.

[Commentator] Thank you for the conversation.

Walesa Attends Cabinet Session, Supports Decrees

LD1901130393 Warsaw PAP in English 1229 GMT 19 Jan 93

[Text] Warsaw, Jan. 19—Both Prime Minister Hanna Suchocka and President Lech Walesa stressed the need for vesting the government with powers to issue decrees. They spoke at the beginning of Tuesday's [19 January] meeting of the cabinet.

According to Suchocka, such powers will increase the efficiency of government. Walesa said there was no time to lose and that decrees will help strengthen democracy in Poland.

"I want to avoid any conflict with this government," the president assured.

Walesa Praises Attitude of Solidarity Committees

WS2001133193 Warsaw SERWIS INFORMACYJNY in Polish 2201 GMT 15 Jan 93

["A Letter of the President of the Republic of Poland to 'Net'"—SERWIS INFORMACYJNY headline]

[Text] President of the Republic of Poland, Lech Walesa, forwarded a letter to the Plant Committees of the Independent Self-Governing Trade Unions "Solidarity"—"Net". In his letter, he wrote, among other things:

"Net" is a structure based on agreement. This is not only because it consists of plant committees of "Solidarity" which cooperate with each other, but also because you have solved difficult, Polish problems through agreement. Today this is a particularly valuable and respectable attitude.

I would like to thank you for not departing from this position over the past tense weeks. "Siec" did not join the strikes, even though the situation in many of your companies is not at all better, and perhaps even worse than in the plants that were on strike.

"Net" proved that it was not only going to demand, but also to construct. Not only to exert pressure, but also to submit constructive suggestions. Not only to make claims, but also to take on responsibility.

Your program confirms all this. You do not limit yourselves to wage demands, but also show how the financial situation of your companies can be improved. You propose privatization and restructuring programs to prevent the liquidation of your companies, and which allow you to maintain production and retain your places of work. This program not only provides an opportunity for your plants, but also evidence of your concern and commitment to the process of reforms and to the future of the Polish economy.

The importance of "Net" and its program was certified by the participation of your experts in the talks with the government on the "Pact on Companies". As a result of your pragmatic and constructive attitude, your representatives are members of the president of the Republic of Poland's Council for Economic Development.

I hope that the hard times of transformation will not tear apart "Net", its structure, and its program.

I wish you good luck and fruitful sessions.

Deputy Premier Announces End of Recession

LD2001152693 Warsaw Third Program Radio Network in Polish 1300 GMT 20 Jan 93

[Text] During a news conference Deputy Premier Henryk Goryszewski announced the end of the antirecession policy and the beginning of economic growth. The deputy premier said the latter months of the past year saw an increase in industrial output by about 12 percent or so which resulted in achieving the 1991 level of domestic product. According to Goryszewski, the increase in manufacturing is not just an impression resulting from the fact that during the implementation of Leszek Balcerowicz's plan industry had reached its nadir.

[Begin Goryszewski recording] First of all I would attribute this to the change in an economic policy which introduced barriers for the Polish internal market. Please take into consideration the fact that last year we had a trade surplus and the presence of foreign consumer goods on our market was clearly reduced. No newspaper in Poland now writes that 80 percent of the goods in shops in and around Warsaw are imported goods. That may have been true in 1991 and still at the beginning of last fall. In my opinion these are the effects of actions which introduced protection for Polish manufacturers and which also supported the demand for Polish-made goods. [end recording]

Deputy Premier Henryk Goryszewski announced that the past year saw an increase in foreign investment from $1.2 billion to $4 billion.

Iliescu Congratulates Clinton on Inauguration

AU2001193493 Bucharest ROMPRES in English 1806 GMT 20 Jan 93

[Text] Bucharest, ROMPRES 20/1/1993—Romania's President Ion Iliescu addressed the U.S. President Bill Clinton a congratulatory message on the occasion of his assumption of duty as the 42d President of the United States of America, of which the following excerpts are given below:

"Liberty, democracy and the respect for the fundamental human rights have been the sacred ideals of the Romanian revolution of December 1989, and we cherish them all the more as they had been denied to us for several decades after the World War II. We are determined to carry on our projects for the instatement of a true democracy and of a free market economy in Romania. We have made progress in this respect, as all those who have known us as we really are can confirm, and, although the road we have embarked on is far from being a short one, we are resolved to follow it to the end. To reach our goals sooner, we count on the support and assistance of our traditional friends and allies.

"We are living at a time of change not only for America, but for us all. As always before, the Romanian people regards the great American nation with admiration, wishing it even more prosperity. your personal attachment to the highest ideals and moral principles strengthen our confidence that, with you at the helm of the American nation, there will be much more peace and prosperity in the world.

"On this opportunity, of good omen, the Romanian people is wishing the American people a happy future, expressing its hope that in the years to come, it will enjoy more trust and more support from the United States. In fact, we are confident in a stronger friendship and a closer cooperation between our nations. Considering the developments in our area and the role the United States can play in ensuring peace and stability in the region, we deem that closer Romanian-American contacts and more frequent consultations can serve this purpose and contribute to enhancing the traditional partnership relations between our countries.

"I wish to avail myself of this opportunity to invite you to pay an official visit to Romania as soon as possible. The Romanian people will be honored to welcome and cheer you as a most distinguished guest."

Major Dailies View Clinton Inauguration

AU2001132693 Bucharest ROMPRES in English 0932 GMT 20 Jan 93

[From the Romanian press review of 20 January]

[Excerpt] Bucharest, ROMPRES 20/1/1993—The whole leading press of January 20 carry extensive coverage to Bill Clinton's inaugural. "Today—Bill Clinton's Coronation" (CURIERUL NATIONAL), "Guard Changing at White House" (ADEVARUL), "Who Is the New American President and What Does He Want?" (ROMANIA LIBERA), "Clinton Administration Takes Over" (MERIDIAN), "Clinton Promises the United States Would Not Hesitate" (COTIDIANUL), "Welcome Bill, Good-Bye Mr. Bush" (AZI), and "The White House Has a New Tenant" (DIMINEATA) are only a few of the headlines under which the leading Romanian dailies mark the inaugural of Bill Clinton as well as its significance.

ADEVARUL prints a note in this context, entitled "Romania and the MFN [most-favored-nation] Status." "The change of guard at the White House," ADEVARUL points out, "has a special meaning for the Romanians. The new administration is sure to put an end to what was called 'the MFN obsession'... The democratic changes in Romania have become too obvious for one to be able to shun them. The vote of the U.S. Congress rallied the Romanian diaspora in the U.S. around outstanding personalities like Dr. Emil Palade, and the crystallization of a Romanian lobby for the MFN status. On the other hand, all parties in Romania advocate it. Virtually, with the advent of democrat Clinton at the White House, the Congress is likely to grant Romania the MFN status with no difficulty at all." [passage omitted]

Dailies Continue Commentary

AU2101124293 Bucharest ROMPRES in English 0941 GMT 21 Jan 93

[From the Romanian press review of 21 January]

[Excerpts] Bucharest, ROMPRES 13/1/1993—The dailies of January 21 front page reports on the "American Moment" of Bill Clinton, as the daily CURIERUL NATIONAL entitles the Washington dispatch, noting: "A historic day in Washington, an exemplary transition at the White House." "The Torch Handed Down to Another Generation" writes daily MERIDIAN, which prints the message addressed to the new United States President by President Ion Iliescu, as well as statements by Romanian political personalities on the Clinton administration.

DIMINEATA also reproduces Bill Clinton's answer to President Iliescu's congratulatory telegram. [passage omitted]

TINERETUL LIBER assesses that "as far as we are concerned" the Clinton administration should forget that we are "communists, nationalists, and xenophobes," that we have not acceded to Europe yet, an image which has been carefully built up for us across the Atlantic Ocean.

"As far as we, Romanians are concerned, while welcoming the event, we cannot shun the question: Will Clinton give us the MFN [most-favored-nation] status?" notes ROMANIA LIBERA, publishing the information

that, upon the proposal of Bishop Laszlo Tokes, re-elected honorary chairman of the UDMR [Democratic Union of Hungarians in Romania], the UDMR congress applied to the U.S. Congress for the granting to Romania of the most-favored-nation status. [passage omitted]

Bosnian Serbs Encouraged To Accept Geneva Plan

AU1901180893 Bucharest ROMPRES in English 1713 GMT 19 Jan 93

[Text] Bucharest, ROMPRES 19/1/1993—Romania's President, Ion Iliescu, sent a message on January 16, to Momcilo Krajisnik, the chairman of the Assembly of the Representatives of the Serbian Community of Bosnia and Hercegovina saying, among other things:

"The international conference in London on former Yugoslavia represents, in our opinion, a decisive phase in seeking a peaceful solution to the existing crisis by the political leaders in former Yugoslavia, who bear the main responsibility, with the assistance of the international community."

"We have learnt about the encouraging evolutions on the road of solving the crisis, marked by an understanding reached on January 12, during the peace talks in Geneva. The acceptance of the peace plan forwarded by the two co-presidents of the international conference on former Yugoslavia represents a real chance and is the only alternative for defusing the conflict in that area and resolving the dramatic situation in Bosnia and Hercegovina by exclusively political means.

"I am addressing you in hopes that at this crucial moment the members of the assembly of the representatives of the Serbian community in Bosnia and Hercegovina will make proof of their wisdom and take a decision by which to put an end to the Calvary of the populations in this zone. By becoming official, the position expressed by Radovan Karadzic in Geneva will determine a course towards peace. I am also confident that all the parties involved will act realistically, responsibly, lucidly, will put an end to bloodshed, and achieve the peace so much awaited by the population that had suffered so much, as well as by the whole international community."

Tokes Interviewed Prior to UDMR Congress

AU1901204793 Bucharest ROMANIAI MAGYAR SZO in Hungarian 13 Jan 93 pp 1,4

[Interview with Presbyterian Bishop Laszlo Tokes, honorary chairman of the Democratic Union of Hungarians in Romania (UDMR), by Zoltan Barabas; place and date not given: "This Is What We Are, So Many People Are Left...."]

[Excerpts] [Barabas] The Democratic Union of Hungarians in Romania [UDMR] seemed to be the "island of tranquillity" in Romania's political life for quite a while, but it turned out that a stormy sea was behind the seemingly tranquil facade. In your current position, and as one of the candidates to the position of UDMR chairman, what is your opinion about the situation of Hungarians in Romania? Do you think that the UDMR political guidelines are adequate to this situation?

[Tokes] The UDMR has never been an island of tranquillity, but the surrounding tense situation forced it to solve its conflicts internally. In this respect, we can only highly praise the UDMR for being able to settle the issues internally, and thus there was no need to make these problems public. Unfortunately, as a result of the increasingly unfavorable circumstances and the subsequent acute contradictions, these problems and personal contradictions and contradictions of principle have inevitably become public. All this has given malicious pleasure to the extremist nationalist camp in Romania. However, every political force of goodwill in this country regards these problems as natural, because there is no political party or political force in this country without internal contradictions and storms. This is a natural phenomenon in our current situation.

I must also point out that there is yet another reason for this contradiction, and I would call this a diversion. As we could see, the UDMR could not avoid the "fate" of the other parties and political organizations in Romania: The ruling power is infiltrating everything. Its entire apparatus and its machinations are also infiltrating the political parties.

[Barabas] So you regard the activity of the UDMR as adequate?

[Tokes] The UDMR has a good program, but its statute and structure are not adequate. This leads to the imperfections observed in the course of implementation. [passage omitted]

[Barabas] In your opinion, why is the presence of the UDMR in Romania's political life important?

[Tokes] The presence of the UDMR is evidence. Its presence, even if it does things badly or does not do anything, is still an important presence because, for decades, we Hungarians have been nowhere. Thus, no matter how it is, the UDMR still has a firm presence in the Romanian political and public life. In spite of everything, we can say that we succeeded in creating a unity reflected in pluralism. [passage omitted]

[Barabas] The dilemma of the need for platforms clearly transpired at the meeting of the National Council of Deputies in Arad and Nagyvarad [Oradea]; in other words, will there be a split within the UDMR, or will the unity of the UDMR prevail?

[Tokes] I would not associate the platforms with a split. Only a morbid unity concept thinks so. Pluralism and platforms are definitely beneficial to unity, provided that everything goes well. The problem is that we lack the social forces carrying these platforms and the driving

force of these platforms. What we see is that these platforms are created by narrow groups, and there are no real massive demand behind these platforms. Thus, for the time being, these platforms represent a rather fictional pluralism. [passage omitted]

[Barabas] What do you expect from the upcoming UDMR congress in Braso [Brasov]?

[Tokes] I think it has both a negative and a positive goal. The negative, or the minimal expectation, is to make sure that the UDMR does not split and that the phenomena that are disintegrating the Union do not become critical. There is also a positive aspect and, in this respect, the Self-Determination Declaration issued in Kolozsvar [Cluj] on 25 October 1993 was a very important one, because a positive goal is one that wants to exceed the current situation. This positive goal is for those based on the principle of self-determination to create a long-term program and an operational statute, something that would place the UDMR on the right road. [passage omitted]

Negritoiu's Connections With Securitate Disclosed

AU1901211193 Bucharest EVENIMENTUL ZILEI in Romanian 12 Jan 93 pp 1,3

[Article by Dr. Liviu Turcu: "Mr. Misu Negritoiu Worked as Officer of the Foreign Information Service, the Foreign Counterespionage Service, and the Economic Counterespionage Directorate"]

[Excerpts] At the end of December 1992, Mr. Misu Negritoiu, one of the four ministers of state of the Nicolae Vacaroiu cabinet, or to use the expressions of the old nomenclature, one of the four deputy prime ministers, gave a surprising interview to the weekly EXPRES MAGAZIN. The title of that interview was precisely Mr. Negritoiu's statement, used by the reporter, namely: "I Had Purely Professional Relations With the Securitate." [passage omitted]

I would like to inform the public from the beginning that the minister of state is an old acquaintance of the Foreign Information Service (formerly the Foreign Information Committee) and of the Foreign Counterespionage Service (Military Unit Number 0195) and of the Economic Counterespionage Directorate within the Securitate. [passage omitted]

Encouraged by the fact that certain publications in Romania and abroad, not having complete access to his personal file, provided a number of inexact details regarding his activities, thus Mr. Misu Negritoiu immediately started the offensive in the aforementioned interview, saying no more and no less than "I can prove that I was not and I am not a Securitate officer or one of its collaborators." After which Negritoiu recalls—without missing any of them—the inexact details provided by the domestic and foreign press (the rank of colonel, the position of Nadia Comaneci's personal guard, persona non grata under a diplomatic aspect, and so on and so forth). This was a convincing maneuver for the majority of the innocent readers. [passage omitted]

During the period to which the minister of state is referring [in Ceausescu's time] even the screening of certain older collaborators of the Foreign Information Service and the other Securitate structures was increased, and the working norms became stricter, and by no means did they normalize. One of the requirements—approved of at the highest level—was that all those who were sent abroad should be selected only from among those Securitate collaborators who proved that they were really loyal to that institution. Hence, Mr. Negritoiu, who was selected in that period, could not be an exception to the rule. Moreover, the post to which he was sent [head of the Los Angeles Commercial Bureau of the Foreign Trade Ministry], even if it was a temporary one, was not any ordinary job, but one with special requirements both from commercial and Securitate points of view. [passage omitted]

Negritoiu Rebuffs Allegations

AU2001201593 Bucharest EVENIMENTUL ZILEI in Romanian 14 Jan 93 p 12

[Minister of State Misu Negritoiu signed statement: "Deliberately or Not, Your Daily Becomes the Carrier of Grave Attacks Not Only Against My Person, But Also Against the Institutions and the Policy of Reform"]

[Text] Concerning the obviously libelous comments against my person, which were published in the 166th and 167th issues of your daily, I ask you to publish in the same columns the following:

1. All the assertions of the person who signed that item are mere fabrications or gross misinterpretation of my past activity.

2. Considering the fact that the allegations against me imply certain things which overrule my right to defend my personal image, I will turn by means of currently valid procedures to the Foreign Intelligence Service and ask them to investigate the situation and publish their findings.

3. Concerning your "generous" offer, granting me the possibility to defend myself, I would like to point out that I personally have nothing to add to the statements concerning my former activity, which I made in front of the most important state institution, Parliament, to which, as a member of the government, I feel responsible.

I would like to remind you that those hearings in Parliament were also attended by representatives of the mass media and that in the interview I granted to EXPRES MAGAZIN, I answered all the questions because it is my belief that I have to submit myself to an unwritten "moral law," namely the one that stipulates

that, as a public personality, I ought to clear up all the suspicion and distortions that are being circulated with respect to my past activity.

Under such circumstances it is regrettable that you publicly grant absolute confidence to a person who in the past has repeatedly circulated libelous information, thus depriving the government and parliamentary commissions of even minimal credibility and ignoring my unconditioned openness with respect to any decently formulated questions coming from the mass media.

I would also like to express my regrets over the fact that your daily, which enjoys an important audience, deliberately or not, has become the carrier of serious attacks not only against my person, but also against the institutions and the policy of reform.

Foreign Ministry Spokesman Rejects Russian Charges

AU2001185493 Bucharest ROMPRES in English 1539 GMT 20 Jan 93

[Text] Bucharest, ROMPRES 20/1/1993—In connection with the reaction of the head of the Press and Information Department of the Russian Foreign Ministry to the interview the Romanian minister of foreign affairs, Teodor Melescanu, granted to the newspaper LE MONDE on January 16, the spokesman for the Romanian Foreign Ministry Dan Mircea Geoana said "in no way was the Commonwealth of Independent States characterized as a body remaking the structures of the former Soviet Union and posing a threat to the independence and very existence of the Republic of Moldova. The reference in the interview concerned a number of tendencies within the space of the former Soviet Union, characterized as a maximalist approach, aimed at recreating the former Soviet Union under cover of a community."

As concerns the equalization between the interests of the CIS and the interests of the Russian Federation, underscored by the Russian spokesman, this is a matter "on which the Romanian Foreign Ministry has no comment," the speaker pointed out.

As for Romania's respect for the independence and sovereignty of the Republic of Moldova, the spokesman said that the position of the Romanian Government was well-known, namely: "Romania was one of the first countries to have recognized the independence of the Republic of Moldova starting from the known thesis of the existence of two independent Romanian states." At the same time, the Foreign Ministry spokesman stressed that in its relations with the Republic of Moldova, the Russian Federation and other CIS countries Romania applied the norms of the UN Charter and the CSCE documents.

Discusses Economic Issues

AU2001195293 Bucharest ROMPRES in English 1810 GMT 20 Jan 93

[Text] Bucharest, ROMPRES 20/1/1993—Foreign Ministry spokesman Mircea Geoana made it known at the newsbriefing of 20 January that the Romanian Government requested from Japan the participation with a substantive share in a 180-million-dollar loan for the year 1992, apart from Japan's 100-million-dollar quota of the loan granted by the G-24. He informed that Japan allocated funds in the worth of 100 million dollars to be transferred to Romania and Bulgaria as credits for the stimulation of small and medium private businesses.

At the same time, a delegation of Eximbank of Japan is to visit Romania over 24-26 January to identify priority projects worth financing in the near future.

Mr. Geoana announced the second joint session of the Foreign Ministries of Romania and Egypt to be held from 24 to 26 January in Cairo for the discussion of the main bilateral economic issues, including the settlement of Romania's credit with Egypt. The two sides intend to establish a joint programme for the development of their relations in the year running and to exchange views on the zonal and international developments of mutual interest.

The press was also informed about the letter addressed by Romania's permanent mission with the United Nations Organizations in New York to the chairman of the Sanctions Committee in Connection with the fate of the Romanian ships retained in Yugoslav ports and about the notifications relayed to the U.S., U.K., and French missions on the talks held with the secretary of the said committee on the same issue. The letter of the Romanian Government is to be examined in a committee's meeting this week.

Reiterates 'Special' U.S. World Role

AU2001183793 Bucharest ROMPRES in English 1919 GMT 20 Jan 93

[Text] Bucharest, ROMPRES 20/1/1993— The inauguration of the newly-elected U.S. President was a happy opportunity for President Ion Iliescu of Romania to convey a cordial message of congratulations to President Bill Clinton, said Dan Mircea Geoana, spokesman for the Ministry of Foreign Affairs, during a news conference on Wednesday, January 20.

The message reiterates Romania's belief in the special responsibility and role of the United States in the international life, in the maintenance of peace and stability, in our geographic region included, as well as the wish to promote frequent bilateral contacts, at summit level, too.

The Ministry of Foreign Affairs of Romania will submit to the Sanctions Committee of the UN Security Council a new memorandum on the consequences of the application by Romania of the Council's resolutions whereby

an embargo has been instituted on Serbia and Montenegro, the spokesman for the Ministry of Foreign Affairs said during the same news conference.

The memorandum will request palpable and most urgent measures on the part of the world organization and the international community to ease the economic difficulties generated by the application of sanctions and the granting of compensations taking account of the fact that the total direct and indirect losses in the Romanian economy in 1992 are put at seven billion dollars or so.

The Foreign Ministry spokesman also said that on January 12, 1993 the Chamber of Deputies of Belgium had adopted a new resolution calling on the Belgian Government to take the necessary steps to reestablish public aid for Romania.

"Krzysztof Skubiszewski, Poland's minister of external affairs, will pay a visit to Romania on January 25-26," Dan Mircea Geoana, spokesman for the Romanian foreign minister, also told the press. "The two will sign the treaty on friendly relations and cooperation between the two countries, and the Romanian-Polish consular convention. The guest will be received by the president and the premier of Romania."

The Foreign Ministry spokesman also announced that the Romanian minister of foreign affairs, Teodor Melescanu, had met Barbara Stamm, secretary of state in the Ministry of Labour, Health and Social Protection of Bavaria, charged to represent Bavaria's Government in the relationship with Romania. The Romanian minister handed the German dignitary an invitation from Premier Nicolae Vacaroiu to Max Streibel, Bavaria's premier, to pay a visit to Romania shortly.

The Romanian foreign minister's spokesman said he was confident that Romania's relations with Germany and Bavaria would be boosted in the context of the Danube-Rhein-Main waterway.

FDSN Holds Talks With National Bank Officials

AU1901193493 Bucharest ROMPRES in English 1853 GMT 19 Jan 93

[Text] Bucharest, ROMPRES 19/1/1993—The leaderships of the Democratic National Salvation Front [FDSN] and of the National Bank of Romania [BNR] have expressed, at their meeting of 19 January, their common view on the need for a better correlation and communication between all the public authorities directly responsible for the country's economy.

The main aspects tackled related to the relationships between political structures (Parliament, government, and FDSN as ruling party) and BNR in the context of the country's economic hardships, which should prompt the search for constructive solutions to the monetary, currency, and credit policies that fall under the competence of BNR.

The two sides agreed that FDSN address an aide-memoire to the BNR board of directors, listing the main issues, which in this party's view, ensure the coherence of the reform process and reassert the FDSN's decision to maintain the present statute and legal competence of BNR as an institution under the direct subordination of the Romanian Parliament.

Central Bank Official Views Currency Devaluation

AU2101124693 Bucharest ROMPRES in English 0821 GMT 21 Jan 93

[Text] Bucharest, ROMPRES 21/1/1993—Answering daily MERIDIAN's question: "How do you explain the new devaluation of the leu?" (from 430 lei to the U.S. dollar to 472 lei), Dragos Stanescu, director of cabinet of the governor of Romania's National Bank, said: "The rate of exchange of a currency depends on two factors: the rate of domestic inflation and the trade balance. Romania has a trade deficit because of the very big imports of raw materials, sugar, and wheat. These imports put very big pressure on the rate of exchange. If these imports were directed toward a production with domestic or foreign outlets, they would be convenient. But they are mainly meant for the population's consumption, and for a production—most of which ends up in stocks. We are also forced to set the rate of exchange free in order to stimulate the exporters when the domestic inflation tops the devaluation of the leu. In order to encourage the exporters and thus even the commercial balance, the government may give also other incentives, so as to avoid a drop in the leu rate of exchange, that is, tax exemptions, but this means to increase the budget deficit.

In order to keep the rate of exchange untouched, the government has two options: To sacrifice the budget, favoring the economic agents' revigoration, or to stabilize real production. Consequently, the bank cannot keep the rate of exchange still as long as the production goes down. The rate of exchange will go down as long as the economy too goes down and will improve when we manage to export more than we import. Both the National Bank and the government must encourage exports in order to bring hard currency to the country, to increase the hard currency reserves which is a matter of national security. We have managed so far to bring the inflation down in 1992 to half of what it was in 1991, that is, to 164-165 percent."

Serb Assembly Endorses Geneva Peace Plan

LD2001134593 Belgrade TANJUG Domestic Service in Serbo-Croatian 1316 GMT 20 Jan 93

[Text] Pale, 20 Jan (TANJUG)—The parliament of the Serb Republic of Bosnia-Hercegovina today endorsed a set of constitutional principles for the future arrangement in Bosnia-Hercegovina as proposed at the Geneva negotiations.

At the session in Pale, during voting that took place at approximately 1400, 55 deputies voted for the Geneva proposals, 15 voted against, and there was one abstention. The Serb Republic's parliament has 81 deputies.

The decision was passed at the recommendation of the club of deputies, which met this morning.

Karadzic Comments on Plan

LD2001194893 Belgrade TANJUG Domestic Service in Serbo-Croatian 1714 GMT 20 Jan 93

[Text] Pale, 20 Jan (TANJUG)—It now all depends on the Muslim and the Croatian sides, but we are expecting the end of hostilities and the resumption of efforts for a peaceful solution to the crisis, the president of the Serbian Republic of Bosnia-Hercegovina told journalists after the Serbian Republic parliament in Pale agreed to the constitutional principles for the organization of former Bosnia-Hercegovina.

Serbian Republic President Karadzic, speaking at a news conference today during a break between the two sessions of parliament, said that a difficult task on coordinating the map is proceeding on condition that the Muslims and the Croats showed good will.

According to Karadzic, the Geneva conference should continue to work in expert groups, since basic consent was reached at political level.

The Serbian Republic president announced there will be a referendum after the war, when the refugees return to their homes. Borders could only be changed in a referendum and not in an administrative way, as former communists once did, he said.

I hope that the Geneva conference will back the proposal that a referendum, as a democratic act, is the best way to reach a legitimate and just solution, Karadzic said.

Asked if an order would be given to commanders to cease fire, Karadzic replied that the Serbian Republic parliament had adopted a declaration on the end of the war as early as 18 December, and that shortly after an order had been given to the Serbian Republic Army Command to fire exclusively in defense. Unfortunately, the Muslim side has not stopped attacks and, as you know, the offensive from Srebrenica against Bratunac is continuing, Karadzic said. In this regard Karadzic recalled that the village of Skelani was again devastated in that offensive, and that some villagers were killed, while some managed to escape.

At the insistence of journalists to explain what deputies mean to say by their stressing that they "accept constitutional principles for Bosnia-Hercegovina as a part of the whole package of documents of the Geneva conference, which has to be accepted as a whole," Karadzic said that until a final agreement is reached no document will be signed. "In Geneva we will sign the whole package of documents and will not sign anything until all documents are separately accepted, including the maps and the document on military issues," he explained.

We are in favor of an urgent cease of hostilities in Bosnia-Hercegovina, including Sarajevo, and gradual demilitarization of the three sides, Karadzic said. He expressed the hope that all further conflicts will be settled in a peaceful way. "Serbs are ready to give up every pressure, but will not do anything that could endanger the peace process," Karadzic stressed.

Asked if he would meet cochairmen of the conference on former Yugoslavia, Cyrus Vance and David Owen, Karadzic replied that they had not been in contact since they arrived in Sarajevo. "We presume they they are coming to make sure that fighting between Muslims and Croats, which broke out over the maps, dies down," he said.

Journalists asked if the Serb Republic president had telephoned Serbian President Slobodan Milosevic, and how the latter reacted to the news that the parliament accepted the constitutional principles.

"Yes, I told him the news and President Milosevic is very pleased," Karadzic replied.

Serb Officials Comment

AU2001150393 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 20 Jan 93

[Report by Slobodan Jankovic in Pale]

[Text] You have already reported that about an hour ago the Assembly of the Serbian Republic of Bosnia-Hercegovina accepted the Geneva document with 55 votes in favor, 15 against, and one abstention. The turnabout and such a convincing vote in favor of accepting the constitutional principles from Geneva happened after a long and, we assume, difficult harmonization of views at a closed session of the deputy caucus, which lasted more than four hours.

That the situation today was more favorable concerning the adoption of the Geneva document was clear immediately after the resumption of the session that was adjourned last night. Instead of the overheated atmosphere, full of emotions, as was the case yesterday, today everything ended in half an hour. Most of the deputies who wanted to speak decided not to do so.

Vojo Maksimovic, head of the deputy caucus, said that the members of the deputy caucus decided to adopt the proposal that was offered. After that, Momcilo Krajisnik, chairman of the Assembly of the Serbian Krajina,

asked the deputies to vote in favor, and this way choose something that would have fewer consequences for the Serbian people. This was followed by the vote. Let us repeat, 55 deputies voted for, 15 against, and one deputy abstained. In this way the delegation of the Serbian Republic was given more room to maneuver at the Geneva conference.

Immediately after the vote, we noted the first statements. Let us first hear Assembly Chairman Momcilo Krajisnik:

[Begin Krajisnik recording] The maps will be a topic of discussion at the next (?session) in Geneva. In any case, I do not want to discuss maps, because there are many problems connected with them. We have clearly stated that we will not agree to it. If they do no realize that, we will have to reject it. After all, maps represent a de facto delineation between the Serb, Croat, and Muslim peoples. I was just told that there will be a press conference and you will be given more information. Do you agree? [end recording]

After the vote, everyone rushed to Radovan Karadzic to hear his assessment of what will follow in Geneva. Here is what Radovan Karadzic, president of the Serbian Republic, said:

[Begin Karadzic recording] It all depends now on the Muslim and Croat sides. If they have indeed genuinely accepted this document, as we did, then we could very quickly discuss maps that would enable us to separate in a democratic way. We are indeed striving for a democratic principle. We want the people to express their view on where they want the borders via local referendums. After that, or parallel to this—that is to say, as of today—all shooting should stop. [end recording]

The conditions and circumstance under which the Geneva document on constitutional principles was accepted were best explained by the Assembly Chairman Momcilo Krajisnik, before the deputies cast their vote:

[Begin Krajisnik recording] In making numerous decisions in the past, our task was to decide on the fate of the Serbian people. However, the decision that we are supposed to make today cannot be compared, in terms of responsibility, with any decision made in the past. This Assembly can justifiably be called historic, because, as I understand the majority of the deputies, we have to choose not between good and evil, but between a lesser and a greater evil for the Serbian people. We also have to choose between war or peace.

Esteemed deputies, we have been the makers of the new Serbian history altogether, and history will judge us. We will not be able to influence this judgment. This fact binds us to act as patriots so that we do not feel ashamed and guilty before future generations. We must bear in mind the fact that we are making this decision in a situation characterized by limiting factors that were imposed from abroad. We also must bear in mind the situation in the republic of Serbian Krajina, Serbia, and Montenegro. It is in our interest to satisfy not only our partial interests, but also those of the Serbian people as a whole. Our responsibility is great. We must not forget that, together with the people of the Serbian Krajina, we are carrying the flag of freedom of the entire Serbian nation.

In our struggle so far, we have done much on the statehood of the Serbian people on the territory of the former Bosnia-Hercegovina, where we have set up our assembly, adopted a constitution, passed laws, and formed our army and our government. We have set up our own (?authorities). We are in a situation where we need peace. Therefore, we must wholeheartedly strive for the continuation of the peace conference in Geneva, we must strive for the removal of the anathema on the Serbian people who are being blamed for all the evils that are taking place in this region.

It is inevitable that we will have to settle borders with the Muslims and Croats and create opportunities for linking up with Serbs from all the other republics and states in all spheres of life. Our task is a delicate one, because we have to decide on the principles that have been offered at a time when we are coming under great international pressure, threats, and isolation. We should avoid all the troubles that have been prepared for the Serbs. At the same time, we must not lose the trust of the people.

Aware of the historic responsibility, our delegation did not accept the principles unconditionally; not because it wanted to hide itself behind the decision of this parliament, nor to gain time to postpone non-recognition, but because we thought that this decision should be a product of the views of a wider circle of people, and because it should reflect the will and intelligence of the entire Serbian nation. [sentence as heard]

Our aim was to analyze the consequences of both the acceptance and rejection of the principles, and to assume the burden of historic responsibility together. We must be prepared, as a large number of deputies have stated, that both a positive and a negative decision could have negative consequences. Let us at least choose the solution that will have fewer adverse consequences for our people. In any case, we are making a decision that will not close the door to the realization of the aims set by our people in the near future.

You have been given explanations of why our delegation conditionally endorsed the constitutional principles at the Geneva conference. I do not want to prejudice your decision, but being aware of this historic moment, I want to recommend that you make a positive decision, because I am convinced that in this way we can protect the Serbian people best, not only in the Serbian Republic, but also in the republic of Serbian Krajina, Serbia, and Montenegro.

I would ask you, as honorable representatives of the Serbian people, to accept the decision proposed by the deputy caucus in the interest of the Serbian people, and not because of pressure and blackmail. We will reject all

blackmail and pressure in the future. Nobody can tell us or order us how to make our decisions. The only ones that can do that are our people with the glorious aims that they have put before us. Thank you. [applause] [end recording]

Karadzic Address to Assembly Reported

AU1901184493 Belgrade Radio Beograd Network in Serbo-Croatian 1647 GMT 19 Jan 93

[Address by Radovan Karadzic, Serbian Republic of Bosnia-Hercegovina president, to the Serbian Republic's Assembly in Pale—live]

[Text] We have reached the point when we must consider the possibility of establishing peace and finally finding a political solution to the crisis in the former Bosnia-Hercegovina.

Many civilians and soldiers have been killed on all three warring sides in the nine months of war, declared on us by the Muslim side and imposed on us by the international community with their illegal and premature recognition of Bosnia-Hercegovina as an independent state outside Yugoslavia. We have been through hell. We have been through the chaos of civil and religious war, representing the continuation of World War II. The same people and families appear as both victims and criminals. World War II pits and places of execution have come back to life. Newly repaired churches have again been destroyed by the same hand. Antagonized people, cultures, and religions have been pushed into a bloody conflict by the international community, forced to live in the same state not only during the long Turkish and Austro-Hungarian occupation but also after World War I and World War II.

The international community had primarily its own interests in mind during the creation of Yugoslavia and during its dissolution and not the interests of the people that made up Yugoslavia. Brutal diplomacy and the violation of all norms of international law have forced us into fighting for our very existence and for minimal rights. The truth about us has been completely distorted in the nine months of war. The Serbian side has been accused of all the things that have been done to it by the other side. Our parent country—Yugoslavia—Serbia, in particular—has been criticized and condemned. Sanctions have been slapped on it. It has been threatened with destruction. These nine months have forced us to face an unjust and uneven struggle against the political will and interests of the powerful in a world without balance. This world without balance seems to us to be racing toward its own ruin, and the first—and so far the only—nation to oppose the establishment of the new world order is the Serbian nation.

The creators of the new world order have always started new world wars rather than create new world orders. We have been denied the right to self-determination that is guaranteed by almost all the documents of international law. Our right to self-determination is guaranteed by international pacts of the United Nations on human and political rights adopted in 1966. Yugoslavia ratified them in 1971. Our right to self-determination is guaranteed by the Atlantic Charter, which was signed by the U.S. President and the British prime minister. That right is guaranteed by U.S. President Woodrow Wilson's 14 points. That right is guaranteed by the UN Charter. That right is guaranteed by the CSCE documents. That right is guaranteed by other declarations on human rights. Despite all this, the international community is preventing us from living with our brothers in Serbia, Montenegro, and the republic of Serbian Krajina. The international community is forcing us to live in the same state with our greatest enemies who have assaulted our homes, our cradles and innocent children, our civilians, our cities, and our villages.

The international community usually realizes its mistake in the end, but it is usually too late for the victim of its mistake. Once made public, the correspondence of the main protagonists of the disintegration of Yugoslavia will show that they all knew that there would be a bloody civil and religious war. That makes their responsibility even greater. Their responsibility for the hell through which we are going is complete. With their brutal diplomacy and pressure and support for the unilateral secession—which is contradictory to the norms of international law—they caused the disintegration of Yugoslavia. Following the disintegration of Yugoslavia, there came a perfectly natural disintegration of the so-called miniature Yugoslavia, as we used to call Bosnia-Hercegovina.

The EC offered all three sides in Bosnia-Hercegovina the so-called Lisbon document, with the prospect of Bosnia-Hercegovina being transformed into a confederation of three constituent states. This was accepted by all three sides. Immediately after the premature recognition of Bosnia-Hercegovina, the Muslim side turned its back on the Lisbon conference and first caused and then officially declared war on the Serbian people of the former Bosnia-Hercegovina.

The EC is doing its utmost to justify its mistake of prematurely recognizing Bosnia-Hercegovina. It is doing its utmost to preserve Bosnia-Hercegovina as a unified and, if possible, a unitarian state, which is the main and ultimate wish of the Muslim side in this conflict. The same arguments used to destroy the Yugoslav state are being used in an attempt to save Bosnia-Hercegovina.

The borders of Yugoslavia—which were guaranteed by the Versailles agreement, the CSCE documents, the UN Charter, and other documents—were crudely violated and ignored, while the borders of the republics within Yugoslavia, which were arbitrarily drawn up by the communist oligarchy lead by Josip Broz Tito, were proclaimed unalterable and inviolable.

The malediction of this inheritance, which is especially manifested in the unjust borders of the republics in Yugoslavia, led to the war and the suffering of the

Yugoslav peoples. The absence of a democratic procedure in determining the borders of the Yugoslav republics had to result in violence and chaos, as the absence of a democratic procedure in the demarcation of provinces in Bosnia-Hercegovina would result in the continuation of clashes. On the one hand, the international community is threatening, saber-rattling, and nailing the Serbian people to the cross of suffering through its biased media; on the other hand, it is offering some kind of political settlement of the crisis.

This is why the Geneva conference represents the only hope for ending the war. Although we do not have any doubts in the best intentions of the cochairmen of the Geneva conference, this conference is nevertheless marked by pressure on Serbs and threats not only to the Serbs in Bosnia-Hercegovina but also to the Serbian people as a whole. The question is: Should the Serbian people take any part at all in any political talks that are marked by threats and pressures? However, this is presently the only way to the political settlement of the crisis.

You have a slightly modified document, which you saw at the last session, a document that contained 10 principles. In response to our proposal of eight principles, the leadership of the conference came up with a mild compromise of nine principles. The first principle contains the recognition of the three constituent nations that would create a future Bosnia-Hercegovina. Although the modification is not significant, it is nevertheless important. There will be no Bosnia-Hercegovina unless it is created by the three constituent elements, by the three peoples, on a voluntary basis. Their right to create a state does not expire; on the contrary, it is confirmed and reinforced by the decision to create a Bosnia-Hercegovina as a community of the three constituent peoples, a community of their provinces, where most functions of the authorities will be performed.

It appears that the first proposed constitutional principle, namely a unitarian Bosnia-Hercegovina of a civic type, has completely removed the reason for the Muslim side to start the war. The civic type of state was favored by the Muslim side because it was counting on its high birth rates and its size.

Everyone knows the fate of dimije [type of trousers worn by Muslim women], that is, the second and third class citizens, the non-Islamic peoples in Islamic societies. We have ourselves experienced such a fate in those communes in which the Muslims comprised the overwhelming majority. The principle number two is all about the proposed provinces not having an internationally legal character, but it leaves enough room for administrative connections with other states and provinces. All the other principles are more or less known.

The minutes from the plenary session, which serve as an explanation, unambiguously point to the fact that the new common constitution will be reached through a consensus of the representatives of the three ethnic communities and that the constitution can be changed on very important issues only by consensus. We are well aware of the fate of the consensus in the former constitution of Bosnia-Hercegovina. However, this time we have more of a chance to avoid tricks and outvoting because our state-forming right is materialized in our provinces. The provinces will also have their constitutions and their democratically elected legal authorities and democratically elected bodies of executive authority, and an independent judiciary. That element is the element of the statehood of these provinces. The proposed constitutional court with the majority of non-Bosnian members, that will deal with constitutional matters, human rights, and international guarantees, represents some kind of a foreign protectorate over Bosnia-Hercegovina, but we were not in a position to change that. Actually, such a constitutional court was proposed by the Serbian delegation at the Lisbon conference, but it was to go exclusively with the Lisbon papers to reassure the international community that we do not want to detach any part of Bosnia-Hercegovina by force. The conference rejected the Lisbon paper, but it kept the proposal for the constitutional court.

Principle Number Seven talks about a gradual demilitarization of Bosnia-Hercegovina. That was also the proposal of the Serbian delegation at the Lisbon conference. We could not imagine that any kind of central military power could be created under the command of the Muslim leadership. Also, we do not believe that one army unit can consist of Serbs, Croats, and Muslims, who have been killing each other for nine months now. The Serbs are the people of peace, and the fact that they are fighting well now is only because they have been forced to fight for their homes, because their families have been endangered. Everyone knows that the Serbs would rather do peacetime things than freeze in a trench.

Principle Number Eight refers to the international recognition of minority and human rights, the respect of internationally recognized human rights and guarantees, and that is acceptable to us.

Principle Number Nine again refers to the desire of the international community to have a protectorate over Bosnia-Hercegovina. Everything is too reminiscent of the times of the Berlin Congress.

Esteemed deputies, this is a fateful moment for our country and our people. You have before you the proposal for a political solution to the crisis in the former Bosnia-Hercegovina, as devised by the international community. We have therefore not taken part in creating this document. I beg you to consider all the aspects and implications of this proposal with all the seriousness and responsibility that is characteristic of this assembly. I beg you to disregard the maps of the provinces during your considerations. Do not associate them with these principles as the maps will be discussed and agreed on separately. I want to inform you outright that the conference has already decided that the maps as they are now can be changed only by consensus of the three peoples. We cannot accept that. The maps should be created through

the consensus of the three peoples. They should not be proposed by a fourth body and then left for us to change through a consensus of the three warring sides.

I want to warn you that the maps have been created with a arbitrariness that was once used by Josip Broz Tito to create the maps of the Yugoslav republics. These maps follow the principle of the communist division of Bosnia-Hercegovina into communes and not the principle of the ethnic pattern of the peoples in inhabited places, which is the only right way. If we were to accept such treatment, then we would be accepting the sanctioning and cementing all those injustices that the former authorities inflicted on the Serbian people during the 45 years of dictatorship.

During that time, the development of the Serbian areas was totally neglected. First, the Ottoman empire forced us out of our valleys and fertile farms and onto the mountain tops, thus opening room for the Turkicized Serbs that are now called Muslims. Then the communist authorities rapidly developed exclusively the Muslim and partly the Croatian areas. It did so through the socialist method of redistribution of the joint finances of all three peoples.

If we were to accept the undemocratic method of drawing maps, we would accept all the injustices that have been done to us so far. Therefore, I ask you to ignore the maps at this moment, but also to prepare yourself at the same time for the next round of talks if we accept these principles. The next thing to be worked on at the conference is the military document, that is to say the cessation of hostilities and the work on maps. The greatest test of this conference will be the work on maps.

Our delegation at the Geneva conference rejected the 10 principles that were offered, just like you did at the last session. We confirmed our rejection after the principles were condensed into nine points. After long and persistent analyses we decided to accept the document conditionally and offer it to you here to discuss it. This document is offering us much less than we have now. We now have a state that we created with our own forces on the basis of the right of the people to self-determination and to create their own state. This state, the Serbian Republic, is the only state that is legally and legitimately functioning on the territory of the former Bosnia-Hercegovina.

By amending the constitution, we abolished the Serbian autonomous regions, which made up the Serbian Republic and which resembled, to some extent, the proposed provinces. So, this document is offering us to go back to the stage of the Serbian autonomous regions. When in our analysis we looked at what these principles were offering us, we decided to reject them. However, when we look at this from a different angle and looked in our analysis at what these principles were offering to the central authorities as the instrument of domination over us, we decided to accept it conditionally until you make the final decision.

Although the document is offering us less than we have now, it nevertheless opens up the prospect of realizing our state-forming right, unity, culture, tradition, religion, education, information dissemination, and our economy. The document does not offer many possibilities to the central authorities to dominate us.

The other two ethnic communities should also be satisfied, because the document is offering them the same, that is, complete autonomy in their own regions. Only the Muslim side can be against this document, because the document is depriving it of something it did not have the right to anyway, namely the domination of Serbs and Croats.

Our autonomous regions, or provinces, as this paper refers to them, can establish links among one another and cooperation. It now depends only on the political will of the Serbian people for full unity whether we will be dispersed into several provinces or whether we will preserve our unity. The question of the linking up of provinces is a democratic question and cannot be repressed. The question of uniformity of the education system, judiciary, taxation, and other economic measures, as well as the question of cooperation with other Serbian states falls within the inalienable democratic right of the people. It offers a possibility of preserving the continuity of our identity and entity within the former Bosnia-Hercegovina.

I think that in the military field we have achieved what our sacred aim was, namely the protection of our people from another genocide, the protection of our territories, and our citizens. I think that this document offers us a certain opportunity to realize the rest of our rights by political means. It has been clear for some time that the Serbs are not initiating any offensives or combat actions, and that they are not even launching any counterattacks.

Although it is not saying it, the international community clearly sees that the Muslim side is interested in war, that it is interested in accomplishing through military means what it does not have the right to, namely the domination of entire Bosnia-Hercegovina. By endorsing this paper we are opting for the continuation of the work on ending the crisis through political means. If the international community adopts the correct approach to the maps, we can hope that the war will end and that the crisis will finally be resolved through political means. This assumes compromises in both the political and the territorial spheres.

In this case, the compromises mean that no one will get everything he wanted, and that no one will lose everything he could have lost either. If we accept this document, we can hope that the international community will change its unfair attitude toward the Serbs in Bosnia-Hercegovina and particularly toward Yugoslavia, which has unjustly suffered because of its solidarity with us. It is suffering sanctions, mud-slinging, and threats.

We have assurances from Serbia and Yugoslavia that, regardless of the sanctions and threats, they will be on

our side for as long as we are defending our just aims and while we grant to others the things we ask for ourselves. The rumors about blackmailing are unfounded. Serbia, Montenegro, and Yugoslavia would never allow the Serbian people in the former Bosnia-Hercegovina to be put into an unequal position. We are aware that the difficulties that Yugoslavia is going through are nominally the result of our just struggle for freedom and equality, but we are well aware of the fact that the destroyers of Yugoslavia planned to continue with the destruction of Yugoslavia—particularly Serbia—even after the conflict in Bosnia-Hercegovina was solved.

There is a scenario according to which Serbia is to be reduced to the smallest possible area—that is, to the borders from the times of the Berlin Congress. Because of the geostrategic importance of the position of the Serbian people in the Balkans and because of our Orthodox religion and relations with the Russians, we have been exposed to enemy activities and plans, primarily by the great Germany and then by those allied with it. Whenever the world balance was disturbed—that was what happened before the Berlin Congress and after the Russo-Japanese war of 1905 and in 1915 and 1941—the Serbian people had to pay a tremendous price for their freedom and independence.

Today, the Serbian people are suffering blows in the republic of Serbian Krajina and the Serbian republic, but we know well what is in store for Serbia once the battlefields fall quiet here. In that respect, we Serbs bear some responsibility for our own suffering. We bear responsibility because we have allowed ourselves to be dispersed into several states or into many irreconcilably confronted armies and parties.

For the first time in our recent history, the Serbs in these regions have but one army. We have to overcome the dissipation of the Serbian people, our national being. We have to stand up straight in all our might, no smaller or greater than we are. We have to demand from the unfair and unbalanced world to respect our rights. We will have more allies than enemies once we establish ourselves as a respectable nation. We are afraid that the policy of small steps and concessions to the enemy is actually leading to the outcome hoped for by our enemies. Sometimes it seems to me that the international community has put us on some kind of a bobsled track and pushed us downhill, that it is pushing us to the very outcome that our enemies desire. Every attempt at changing our fate is caused by the severe reactions of our enemies and the return to the same bobsled track, down which we are racing at a tremendous speed. [sentence as heard]

It seems to me that the time is approaching for us to make one rapid move and jump off the bobsleigh track and change the course of events. If I am right, then the entire Serbian nation has to think about this sudden jerk that is to change the course of events. We have to prepare with all our mental, political, and military forces. I am convinced that many will be found in the international community who will respect that fateful twist. Until then, we Serbs have to achieve only that which is at the moment possible and to prepare the ground for the achievement of that which will become possible in the future. In that sense, I accept the principles proposed as a realistic move and a realistic measure in achieving what can be achieved today and the achievement of good conditions for what can be achieved tomorrow.

Therefore, despite numerous reservations that our delegation has and despite the unfavorable circumstances and threats under which the peace process is taking place in Geneva, I recommend that after a thorough analysis and evaluation of all the implications of this document, you endorse the acceptance of this document as a step toward a peaceful and political solution. I would like to repeat that the maps are not an integral part of this document and that they are yet to be agreed. We will demand that the demarcation of the provinces is done in a democratic way, to exclude any arbitrariness and bias, and that the joint borders be reached through a democratic decision by the people in the bordering areas—that is, by the people who are most concerned by these maps. I do not believe that the international community can refuse us the democratic process that we demand in the creation of the maps.

If you find that the proposed principles do not prevent us from the achievement of our rights and enable the further positive development of events and the evolution of our position, or the other way around, I beg you to make your decision accordingly. I will once again repeat the conviction of our delegation that the principles still enable us to achieve our aim gradually. Thank you. [applause]

National Council Rejects Plan

LD2001182793 Belgrade TANJUG Domestic Service in Serbo-Croatian 1727 GMT 20 Jan 93

[Text] Belgrade, 20 January (TANJUG)—The Serb National Council of Bosnian Krajina does not accept the constitutional principles for Bosnia-Hercegovina put forward at the Geneva conference, Council President Vinko Stupar stated at a press conference today.

Stupar explained the non-acceptance of the Geneva principles by saying that acceptance of the Geneva document would mean "cutting off Bosnian Krajina from its mother country," and added that the fact that blue helmets will secure the Serb corridor in Semberija "does not constitute any guarantee" for the Serb people.

The normalization of the political situation in his opinion rests on the continuation of the "policy that has been pursued so far."

If the parliament of the the Serb Republic accepts the constitutional principles, the Serb National Council of Bosnian Krajina will call all other national councils to "adopt the best and the most honorable decision for the future of the Serb people in former Bosnia-Hercegovina," Stupar said.

Bozidar Bojanic, chairman of the Democratic Alliance and the Homeland Front from Banja Luka, believes however that the Geneva document ought to be accepted because it has democratic nature.

Foca Commander Rejects Plan

LD1901165693 Belgrade TANJUG Domestic Service in Serbo-Croatian 1242 GMT 19 Jan 93

[Text] Foca, 19 January (TANJUG)—We support all peace proposals for ceasing hostilities and the blueprint on constitutional principles, but the decision on the territorial status of Serb Foca will be made by the Serb nation, which has gained the right to do so through the bloody struggle imposed upon it, Colonel Marko Kovac, commander of the Serb army in Foca, told a reporter of [Bosnia-Hercegovina] Serb Republic radio.

Stressing that the Serb nation of Foca has not authorized anyone to accept the offered proposal of boundaries between future provinces in the former Bosnia-Hercegovina, Colonel Kovac stated that Serbs in that region "are ready to defend their rights and homes, if necessary, to the last man."

Muslims, Croats Reportedly Agree on Cease-Fire

AU2001153793 Paris AFP in English 1530 GMT 20 Jan 93

[Text] Sarajevo, Jan 20 (AFP)—Bosnian Moslem and Croatian leaders agreed Wednesday [20 January] to an immediate cease-fire to stop hostilities between their fighters in western Bosnia-Hercegovina, mediators Cyrus Vance and Lord Owen announced here.

The agreement to halt all hostilities came shortly after Vance and Owen, cochairmen of the Geneva conference on the former Yugoslavia, arrived here to calm tensions between the two ethnic groups who have been allied against Bosnian Serb separatists.

Vance, Owen Mediate Conflict

AU2001171893 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 1400 GMT 20 Jan 93

[Report by Zoran Pirolic from Sarajevo]

[Text] Talks between Alija Izetbegovic, president of the Bosnia-Hercegovina Presidency, and Cyrus Vance and David Owen, the cochairmen of the Geneva conference, started about an hour ago.

As we found out unofficially, the two main topics for discussion are the latest clashes between the units of the Croatian Defense Council and Bosnia-Hercegovina Army, and the continuation of the Geneva conference on the future constitutional organization of our country.

Vance and Owen were in Zagreb this morning and, as we have found out, will fly back to Zagreb again after the talks in Sarajevo. The clashes between the Croatian Defense Council and Bosnia-Hercegovina Army, and the unilateral acceptance of the Geneva documents that have not yet been either signed or agreed on, threaten to complicate even further the already complicated and difficult talks in the city on the Geneva lake, so this blitz tour by Vance and Owen in Bosnian and Croatia can be seen as an effort to solve a new problem in the war in our country.

Besides the two diplomats, the Finish diplomat Martti Ahtisaari, head of the Geneva working group for Bosnia-Hercegovina, is also participating in the talks, as is General Philip Morillon, commander of the UN peace forces in Bosnia-Hercegovina. These talks are bound to be very interesting, as the body of the other participants confirm: Mirko Pejanovic, member of the Bosnia-Hercegovina Presidency, Foreign Minister Haris Silajdzic, and Prime Minister Mile Akmadzic.

The two cochairmen arrived in Sarajevo in the company of Miro Lasic and Franjo Boras, members of the Bosnia-Hercegovina Presidency, and Miro Lazovic, chairman of the Bosnia-Hercegovina Assembly, who is also a member of our country's delegation at the Geneva conference.

Correspondents were particularly intrigued by the presence of Franjo Boras, as he appeared in Sarajevo for the first time after nine and a half months. The members of the Presidency decide for themselves where they will stay and work, Boras said to the correspondents, adding that he put his vote in the Presidency on ice [deponovati]. In his words, Sarajevo in itself is not Bosnia-Hercegovina, and the Presidency members can work outside the capital.

At the moment there is a break in the talks. They are expected to resume after 1600.

Boban Orders End of Hostilities

LD2001110393 Zagreb Radio Croatia Network in Serbo-Croatian 1000 GMT 20 Jan 93

[Report by correspondent Slavko Rako from Hercegovina]

[Text] Mate Boban, president of the Croatian community of Herceg-Bosna, this morning issued an order forbidding the armed forces of the Croatian Defense Council [HVO] to engage in any military activity against the units of the Bosnia-Hercegovina Army. Until further notice the HVO units should protect Croatian areas from possible attack by units of the Bosnia-Hercegovina Army, and all available forces should be (?deployed) at the frontline facing the Serb aggressor. This is stated in the order of the president of the Croatian community of Herceg-Bosna.

President Mate Boban told the HVO to ask the Bosnia-Hercegovina Army command to issue the same order to their units. Mate Boban charged the chief of the General Staff of the HVO Armed Forces with implementing the order. The aim of the order is to stop all fighting between the Croatian and Muslim nations and their armed units.

Presidency, Government Meet

LD1901205493 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 1800 GMT 19 Jan 93

[Text] The Croatian Defense Council [HVO] continues to concentrate large forces from western Hercegovina and Dalmatia in the Gornji Vakuf area, and there is no indication of these clashes abating, reads a statement issued at a joint session of Bosnia-Hercegovina's Presidency and Government today. The statement also stresses that the aim of these HVO activities is to prejudice militarily—that is, by force—the decisions of the Geneva conference and present its participants with a fait accompli. Unless these HVO armed activities cease immediately, the Bosnia-Hercegovina Government suggests to the Bosnia-Hercegovina Presidency that it take adequate measures in the UN Security Council to establish that the Republic of Croatia is responsible for escalating conflicts in Bosnia-Hercegovina, it was stressed in the statement from the joint session. Bosnia-Hercegovina's Presidency and Government fully support Bosnia-Hercegovina'a Army [words indistinct]. At the same time, the Presidency and government state that Bozo Rajic's order that Bosnia-Hercegovina Army forces be handed over to the HVO in some areas of Bosnia-Hercegovina is totally groundless legally and, as such, null and void. Bosnia-Hercegovina's Constitution states that decisions of this kind are within the sole powers of the Presidency of the Republic rather than within those of the defense minister. Apart from this, Bosnia-Hercegovina's newly appointed defense minister has not taken a formal vow nor has he started performing in this capacity. Bearing in mind the current political and military situation, the Presidency and government demand that Bosnia-Hercegovina Government President Mile Akmadzic immediately return to Sarajevo and embark on [words indistinct].

Despite Accord, Fighting Continues

LD2001214393 Zagreb Radio Croatia Network in Serbo-Croatian 1600 GMT 20 Jan 93

[Report by correspondent Slavko Rako from Mostar]

[Excerpt] [Passage omitted] According to a statement by Arif Pasalic, commander of the 4th Corps of the Bosnia-Hercegovina Army in Mostar, a joint order has been signed at the seat of the Croatian Defense Council [HVO] General Staff by Brigadier Milivoje Petkovic, [chief of general staff of the HVO armed forces], and by Pasalic himself ordering their units to stop all artillery and small-arms fire on the territory of Gornji Vakuf and forbidding all fresh movements.

According to Arif Pasalic, it has also been agreed that all units of the HVO and of the Bosnia-Hercegovina Army which are not from the area of Gornji Vakuf should leave that territory by 1400 tomorrow, after which a commission composed of three representatives each of the HVO, the Bosnia-Hercegovina Army, and the EC monitors will examine all the circumstances of the clashes.

This order comes into force within two hours of its receipt in the field.

According to the latest reports from the HVO press center in Gornji Vakuf, where heavy fighting has been waged, the order has not reached the field.

Croats Report Continuing Problems

LD2001125893 Zagreb Radio Croatia Network in Serbo-Croatian 1200 GMT 20 Jan 93

[Report by correspondent Slavko Rako from Hercegovina]

[Excerpts] Last night was relatively quiet in the Gornji Vakuf area, with only small-arms fire and several detonations having been heard. This has been reported by the press center of the Gornji Vakuf Croatian Defense Council [HVO].

According to the same source, the HVO medical unit joined the drive to evacuate wounded Bosnia-Hercegovina Army soldiers, but Muslim extremists have obstructed the work with sniper fire at ambulance vehicles and antitank mines on the road to Bugojno. [passage omitted]

Joint HVO and Bosnia-Hercegovina Army patrols have worked together in Ostrozac, where a large number of Muslims and members of the Bosnia-Hercegovina Army gathered yesterday. Misunderstandings are being resolved through talks today. [passage omitted]

Government: Croatia 'Aggressive State'

AU1901172493 Paris AFP in English 1713 GMT 19 Jan 93

[Text] Sarajevo, Jan 19 (AFP)—The Bosnian Government Tuesday [19 January] branded Croatia an "aggressive" state and said it would appeal to the United Nations if fighting between Croatian and Bosnian troops continued, sources close to the Presidency said here.

The decision by the government and Presidency followed recent violent clashes in Gornji Vakuf, 130 kms (90 miles) west of here, between Croatian and Muslim Bosnian forces.

Rajic Criticizes Izetbegovic Remarks

LD2001212593 Zagreb Radio Croatia Network in Serbo-Croatian 1800 GMT 20 Jan 93

[Text] Clashes between Muslims and Croats in Bosnia-Hercegovina were provoked by forces who have been trying to establish a civic, unitarian, and centralized state by force, Bosnia-Hercegovina Defense Minister Bozo Rajic stressed in a statement for HINA today.

Asked what caused the conflict between the Bosnia-Hercegovina Army and the Croatian Defense Council in Gornji Vakuf, Minister Rajic first dwelt on clashes that took place before the Gornji Vakuf clashes. He said that

the Croatian side thought that these clashes between the Croatian Defense Council and the Bosnia-Hercegovina Army were provoked by infiltrated Yugoslav Army counterintelligence service agents and Muslim extremists, but the Gornji Vakuf clashes showed in clear light that this action was nevertheless politically guided, in addition to a possibility that both agents and extremists were at work in the Bosnia-Hercegovina Army.

Orders by the Bosnia-Hercegovina Army General Staff and the latest political statements by Alija Izetbegovic can substantiate the above assertion, Minister Rajic said. Commenting on a statement by President of the Bosnia-Hercegovina Presidency Alija Izetbegovic regarding alleged Croatian aggression against Bosnia-Hercegovina, Rajic said that, provided it was correctly reported, it could considerably influence relations between the Muslim and Croatian nations in Bosnia-Hercegovina and relations between Bosnia-Hercegovina and the Republic of Croatia.

As regards the possibility that clashes between the Croatian Defence Council and the Bosnia-Hercegovina Army spread to other parts of Herceg-Bosnia, Rajic said that this obviously does not depend on the Croatian Defense Council, and that all attacks on the Croatian people and their property in Bosnia-Hercegovina will be retaliated.

As regards reasons for issuing an order to formations of the Croatian Defense Council in Muslim provinces to be subordinated to the Command of the Bosnia-Hercegovina Army and that the Bosnia-Hercegovina Army likewise be subordinated to the Command of the Croatian Defense Council in Croatian provinces and that all armies retreat to their provinces, Bozo Rajic said that the reason for this action was only a hope for peace. It was an attempt that the whole of Bosnia-Hercegovina territory and whatever is taking place here is done with one interest in mind—the state of Bosnia-Hercegovina.

Karadzic Chides Izetbegovic

LD1901231393 Belgrade TANJUG Domestic Service in Serbo-Croatian 2153 GMT 19 Jan 93

[Text] Pale, 19 Jan (TANJUG)—Izetbegovic [Bosnian president] was too late in accusing Croatia of aggression, Radovan Karadzic, president of the Serbian Republic of Bosnia-Hercegovina, told TANJUG tonight.

"We are also part of the Bosnia that the Croats have been attacking, and Izetbegovic did not even dream of accusing Croatia of aggression then," Karadzic said about a statement by Bosnia-Hercegovina's Muslim president.

"Eastern Hercegovina is part of Bosnia, and it suffered attacks by the Croatian Army," the Serbian Republic's president explained, adding: "As far as we are concerned, we will not accuse Croatia this time."

Asked to comment on Izetbegovic's statement that the Geneva proposal means nothing because it was not signed and that provinces, which would not be created along ethnic lines, confirm the existence of a civilian state, Karadzic said that Izetbegovic is wrong.

The first principle clearly states that the constitution of the future Bosnia-Hercegovina recognizes three constituent nations and that a civilian state is out of the question. This is also confirmed by the principle according to which basic functions of power will also be exercised by provinces, which form a confederal element, he explained.

"Izetbegovic is not right. He is just trying to console himself," Karadzic concluded.

Serb Parliament Elects Premier, Concludes Session

LD2001211893 Belgrade TANJUG Domestic Service in Serbo-Croatian 1945 GMT 20 Jan 93

[Excerpt] Pale, 20 Jan (TANJUG)—The parliament of the Serb Republic [of Bosnia-Hercegovina] today elected Vladimir Lukic as prime minister and adopted Lukic's proposal for the formation of a new government.

The decision to elect Lukic was reached unanimously. As for his proposal for a new cabinet, 46 deputies voted in favor, one was against and eight abstained.

The parliament thus ended its two-day session at about 2000 this evening. [passage omitted]

Lukic Comments on Selection

LD2101102293 Belgrade TANJUG in English 0912 GMT 21 Jan 93

["Pool" item]

[Text] Pale, January 21 (TANJUG)—Vladimir Lukic, the new prime minister of the Serb Republic in Bosnia-Hercegovina, said on Wednesday [20 January] evening that his government will "offer full assistance and support to the Serb negotiating team in Geneva, but will not permit any decisions detrimental to the Serb Republic."

The parliament of the Serb Republic on Wednesday afternoon adopted constitutional principles for the organization of the former Yugoslav Republic of Bosnia-Hercegovina proposed by cochairmen of the Geneva conference on former Yugoslavia Cyrus Vance and Lord Owen.

The Serbian people need not fear that the government of the Serb Republic will allow any decisions "which would mean a loss of parts of territories of the Serb Republic or parts of its property," Lukic told a press conference held following the two-day parliament session during which he was elected prime minister.

"My cabinet will urge a legal state, a hard-working and moral administration, an independent and efficient judicial system, a police force which will be in the function of

the legal state and an army which is to defend the Serb state and protect its people," Lukic underscored.

Asked to comment on the fact that only four ministers remained from the former government, Lukic said: "I did my best to get those who are especially deserving and who achieved the best results to remain. I tried to pick experts and morally sound individuals. I deliberately chose people of different ages and from different parts of the Serb Republic."

One of the four ministers who have kept their departments in the new government of Bosnia-Hercegovina Serbs is Foreign Minister, Professor Dr. Aleksa Buha.

Lukic said that his cabinet would try to realize good cooperation with friendly governments, primarily of the Federal Republic of Yugoslavia and its Republics of Serbia and Montenegro.

Serb Republic Ministers Appointed

LD2001220793 Belgrade TANJUG Domestic Service in Serbo-Croatian 2055 GMT 20 Jan 93

[Text] Pale, 20 January (TANJUG)—The assembly of the Serb Republic [of Bosnia-Hercegovina] this evening elected Dr. Vladimir Lukic prime minister of the Serb Republic government.

Vice-Premier for Industry is Branko Ostojic,
Vice-Premier for Internal Policy is Dr. Vitomir Popovic,
Minister of Defence Col. Dusan Kovacevic,
Minister of Internal Affairs Ratko Adzic,
Minister of Justice and Administration Jovo Rosic,
Minister of Foreign Affairs Dr. Aleksa Buha,
Minister of Finances Petra Markovic,
Minister of Town Planning, Housing, Communal Services and Civil Engineering is Radoslav Brdjanin,
Minister of Education, Science and Culture Dr. Ljubomir Zukovic,
Minister of Trade Milenko Stanic,
Minister of Industry and Energy Boro Bosic,
Minister of Agriculture, Forestry and Water Industry Borivoj Sendic,
Minister of Health, Labour and Social Welfare Dr. Dragan Kalinic,
Minister of Information Miroslav Toholj,
Minister for Veterans' Issues and War Victims Dr. Dragan Djokanovic,
Minister of Religion Dragan Davidovic,
Minister of Transport and Communications - Nedeljko Lajic,
Minister Without Portfolio - Velibor Ostojic, and
Minister of Reconstruction, Development and Foreign Economic Relations will subsequently be appointed.

Serb Assembly Writes Clinton on Crisis

LD1901210093 Belgrade TANJUG Domestic Service in Serbo-Croatian 1941 GMT 19 Jan 93

[Text] Pale, 19 Jan (TANJUG)—The Serbian Republic's Assembly tonight sent a letter to President Bill Clinton expressing the hope that his administration will examine the causes of the crisis in former Yugoslavia and act toward a peaceful settlement.

"Peace in the Balkans and Yugoslavia is not possible without the full involvement of the United States on the basis of international law and a balanced attitude toward the warring sides," the letter says.

The letter recalls that "the Serbian people, whose intelligentsia was the only serious opposition to the communist dictatorship, had for 45 years been looking toward the United States with a hope for democracy...The United States today is completely misinformed about the Serbian question," the letter says.

Noting that the Serbian nation created the Yugoslav state after the victory of the allies—on which side the Serbian nation stood in both World War I and World War II—Serbian Republic deputies stress that first the communist revolution divided Serbs into several federal units. Afterward, independent states, which sought independence through violent secessionist acts, were recognized at the initiative of Germany, which was supported by her allies. "This secessionist breakup of Yugoslavia was done in accordance with the right of nations to self-determination, which all nations enjoy except for the Serbian nation," the letter states.

The Serbian Republic's Assembly cites in its letter to Bill Clinton many international documents on which Serbs base their demands: the 14-point declaration by U.S. President Woodrow Wilson, the Atlantic Treaty, the Helsinki Charter, the UN Charter on Human Rights, and the London conference. The assembly also expresses the hope that the new U.S. Administration will make a u-turn on the Serbian issue.

Serb Republic Explains Position to Islamic States

LD2001041093 Belgrade TANJUG Domestic Service in Serbo-Croatian 1913 GMT 19 Jan 93

[Text] Pale, 19 Jan (TANJUG)—The Assembly of the Serb Republic [of Bosnia-Hercegovina], which is in session in Pale, called on Islamic states this evening to support the peace process under the auspices of the Geneva negotiations on the new constitutional system for the former Bosnia-Hercegovina.

In a letter to the organization of Islamic countries, the Serb parliament appeals to the Organization of Islamic States to use all its help and "influence the Muslims to give up the war option and accept equality with Serbs and Croats and the peaceful transformation of Bosnia-Hercegovina into a community of Serb, Croat, and Muslim provinces."

The letter from the parliament says "the civil war in Bosnia-Hercegovina is not anti-Islamic or anti-Muslim; it was caused by the refusal of the Muslim side to accept constitutional solutions that were adopted on 18 March in Lisbon."

The Assembly of the Serb Republic of Bosnia Hercegovina stresses in the letter that religious rights of Muslims on Serb territories in the Serb Republic and the territory of the Federal Republic of Yugoslavia are guaranteed and that all other rights are guaranteed on an equal basis.

New Muslim Attacks at Bajina Basta Expected

AU2001171093 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 20 Jan 93

[Report by Zoran Zeravcic from Bajina Basta]

[Excerpts] Eighty-one Serbian fighters and 11 civilians escaped last night from a siege by Muslim forces of the Jezero village region that lasted four days. They passed through the Muslim territory unseen and were taken to the right bank of the Drina river by members of the Bajina Basta kayak club. The group included six women and five children who have been accommodated in Bajina Basta.

According to Officer Pero Miljanovic, all Serb fighters who have escaped from the siege have already joined the Skelani battalion of the army of the Serbian Republic of Bosnia-Hercegovina and have come to the front line, as all facts indicate that this illusory lull will not last long. New Muslim forces have been seen in the region of the (?Arakovici) village coming from the direction of Srebrenica, which is a certain sign that jihad warriors do not want to put down their arms. As I report, explosions are heard from the region of Bosanska Crvica, several kilometers south of Skelani. Expecting a new Muslim offensive, civilians are coming over to the right bank of the Drina river, seeking refuge in Bajina Basta. [passage omitted]

The forces of the Yugoslav Army are holding under their control the entire region bordering on the Bosnian side where clashes are taking place. Instances of aggression against the territory of the Federal Republic of Yugoslavia have almost become a usual phenomenon. The latest one was registered last night: The Muslims came closer to the bridge between Skelani [village in Bosnia-Hercegovina] and Bajina Basta [Village in Serbia] to fire from point target weapons at the border [word indistinct]. The fire drew a response. There were no casualties on the Yugoslav side.

Air Raids, Hunger, Disease in Srebrenica

LD2001203793 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 1800 GMT 20 Jan 93

[Text] The free territory of Srebrenica was bombarded again today. Following five days of hell caused by the aggressor's heavy artillery and air raids on Srebrenica's free territory and a chetnik offensive against Srebrenica, the aggressor has suffered enormous losses in personnel, hardware, and territory. Members of Bosnia-Hercegovina's armed forces from Srebrenica have scored their greatest success so far in [words indistinct]. They have advanced about 6 km along their line of defense toward [words indistinct] and liberated from occupation nearly 30 square km of territory. The aggressor has been chased out of the strongest chetnik strongholds in the Srebrenica municipality, [word indistinct], Jezero and 10 other villages. A significant quantity of artillery, ammunition, mines and explosives was seized.

Enraged by their heavy losses in territory, personnel and hardware, the aggressor's air force and heavy artillery operating from Serbia, from the platform of the Bajina Basta hydroelectric dam, and the hillsides of Tara and other locations in the area of the Bajina Basta municipality are taking revenge on the innocent civilians of the Srebrenica municipality.

At 1315 two aircraft of the Yugoslav Army dropped their lethal loads in two separate raids [words indistinct]. The aggressor's bombs and shell shrapnel killed seven and inflicted light or serious injuries on 10 civilians. This morning 19 bodies were found in the Srebrenica area. They had died from hunger and infectious diseases.

Army Protests to UN on Serb Poison Gas Use

LD2001212293 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 1900 GMT 20 Jan 93

[Text] According to a statement by the press centre of the Army of Bosnia-Hercegovina, the aggressor has used poison gas on three occasions in the vicinity of Doboj and in Dobrinja. This has prompted Bosnia-Hercegovina Army Chief of Staff Sefer Halilovic to lodge a strong protest with the UN Protection Force as well as with Cyrus Vance and Lord David Owen [cochairmen of the Conference on Yugoslavia].

2,700 Serbs Allegedly Held in Bosnian Camps

LD2001115993 Belgrade TANJUG in English 1056 GMT 20 Jan 93

[Text] Belgrade, January 20 (TANJUG) - About 2,700 people are still held in prisoner camps in the former Yugoslav republic of Bosnia-Hercegovina, deputy chief of the Belgrade office of the International Committee of the Red Cross (ICRC) Ursula Koechlin-Eugster told TANJUG on Tuesday [19 January] evening.

ICRC officials are regularly seeing around 1,300 prisoners held by Serbs, about 530 held by Croats and over 900 held by Moslems, she said.

These are only the prisoners registered by the ICRC but Koechlin-Eugster believes that the real number of prisoners on all three sides is considerably larger.

After the three warring sides reached agreement in Geneva last October to unconditionally release all prisoners, Bosnian Serbs released 2,420 imprisoned Moslems and Croats from the Manjaca camp and closed it down late last year, while Moslems and Croats failed to act in accordance with the agreement.

ICRC officials are regularly seeing prisoners in four Croat, six Moslem and three Serb camps but not Moslem camps in Sarajevo because the ICRC last May evacuated from the city after the killing of one of its officials, said Koechlin-Eugster.

Special rapporteur of the United Nations Human Rights Commission Tadeusz Mazowiecki on Tuesday said he was 'shocked by the latest news' about the difficult conditions in which Serbs are held in Moslem and Croat camps.

So far, Mazowiecki has almost completely neglected the sufferings of the Serbs, speaking only about Serb camps.

The Serb side estimates that Moslems still keep hundreds of Serb civilians in extremely bad conditions in Sarajevo prisons. Earlier this week, 33 Serbs released from the Sarajevo prison in the army barracks Viktor Bubanj told about the situation in the prison [as received].

Koechlin-Eugster said she hoped the ICRC committee would reopen its Sarajevo office next week if the organization receives guarantees for safe operation.

Tudjman: Izetbegovic Statement 'Unfounded'

LD2001220593 Zagreb Radio Croatia Network in Serbo-Croatian 2100 GMT 20 Jan 93

[Text] Talks have ended in Zagreb between Croatian President Franjo Tudjman and Cyrus Vance and Lord Owen, cochairmen of the peace conference on former Yugoslavia. Cyrus Vance said that the constitutional solution to the Bosnia-Hercegovina crisis and recent clashes between Croatian and Muslim units there were raised during the meeting. Tihomir Vinkovic reports:

[Vinkovic] The talks at the Presidential Palace were attended by representatives of the Croatian people in Bosnia-Hercegovina. Commenting on yesterday's statement of Alija Izetbegovic—that the aggression against Bosnia-Hercegovina is also coming from the other side—President Tudjman made the following statement for the press:

[Begin Tudjman recording] The Croatian public and official Croatia received the statement with a great deal of surprise and dissapproval. The talks I had today showed that the statement was completely unfounded, and what is particularly surprising is that while Croatia is being accused of spreading the war, the aggression against Bosnia-Hercegovina, those officials who are making such statements are still asking Croatia to continue with supplies and aid for Bosnia-Hercegovina in every form, including supplies for defense against the aggressor. This is incomprehensible.

In our assessment, on the basis of reports by Croatian representatives on the clashes in Gornji Vakuf—which were started by Muslim units—the exacerbation of relations between Muslims and Croats was aimed at calling into question the very success of the Geneva conference. However, thanks to Messrs Vance and Owen and the readiness of Croatian representatives in Bosnia-Hercegovina and our own readiness, that is, our orientation toward peace, a joint communique was signed on the end of hostilities and the continuation of cooperation, which will contribute to a successful resumption of the Geneva conference. [end recording]

Tudjman on Bosnian Conflict, Vance Plan

PM2001121093 Paris LE FIGARO in French 18 Jan 93 p 5

[Interview with Croatian President Franjo Tudjman by Franz-Olivier Giesbert and Xavier Gautier; date, place not given]

[Text] [LE FIGARO] Will the Serbs reject the Geneva peace plan?

[Tudjman] They will have to give in. Europe, the United Nations, and above all the United States have hesitated enough on what policy to follow. They must now adopt a clear line. The reason why the Serbs attacked Croatia and Bosnia-Hercegovina is that they thought that the international community would not react. Their aggression has taken on unprecedented proportions, even during World War II.

[LE FIGARO] The scenario is known: The peace plan is accepted and it is then rejected by the grass roots. Are the Bosnian Serbs not playing for time?

[Tudjman] Of course. But the Serbs must now make concessions. They have already been forced to withdraw from the Dubrovnik region. The war in Bosnia-Hercegovina has mobilized the international community to a great extent. The danger is now that it might be drawn into an international conflict.

Russian volunteers are fighting on the Serbian side. Four Russian generals have been shown on Serbian-Montenegrin television. The Muslims, however, are at the end of their tether. They want to continue the war at all costs, but in the form of an Islamic holy war. In their ranks there are mojahedin volunteers from countries like Iran and Pakistan. President Izetbegovic is counting on support from the Muslim countries. However, this confrontation between the Islamic world and the West is a danger to the world. Europe and the United States must take very firm measures to impose a settlement of the conflict.

[LE FIGARO] Is an intervention in Bosnia possible?

[Tudjman] It would just take 140 fighter planes to bomb military targets, as has just been done in Iraq.

[LE FIGARO] But this country is in the grip of a guerrilla war....

[Tudjman] We know the exact location of the Serbian barracks, the Serbian missiles, and the Serbian airports. An attack on these military targets would be enough. It would be even more effective to attack this kind of target in Serbia and the arms factories where the missiles are manufactured. The Yugo-communist army has considerable equipment but the soldiers' morale is not good. How else can you explain the fact that they have been defeated in Croatia and Bosnia?

[LE FIGARO] Defeated?

[Tudjman] Yes, the Serbs have not won any real military victories against peoples with very few weapons.

[LE FIGARO] Are you in favor of lifting the embargo as far as the Bosnians are concerned?

[Tudjman] What I do not want is for the embargo on Bosnia and Croatia to be lifted—because thought must be given to Croatia—only for the international community to do nothing subsequently. Just lifting the embargo on Bosnia would lead to a continuation of the war, not for months but for years.

[LE FIGARO] What is your solution?

[Tudjman] Allow me to make myself clear: I am in favor of lifting the embargo, but only if the international

community decides to intervene. If the international community does not give Serbia an extremely clear ultimatum, the aggression will continue.

[LE FIGARO] You accepted the Geneva peace plan (which confirms Bosnia's territorial integrity and makes provision for dividing it into 10 autonomous provinces—LE FIGARO editor's note). Is Bosnia a nation?

[Tudjman] No, I do not regard Bosnia as a nation. If that was the case, I would not have accepted the plan, because I would know that it is unrealistic. This plan makes provision for Bosnia to remain a confederal state, formed of three component nations. If Yugoslavia could not be maintained as a federation, how can we think that Bosnia could be maintained on the same basis, especially after such a war?

[LE FIGARO] If this plan is accepted, it seems logical that a number of Bosnia's regions will eventually be attached to Serbia or Croatia?

[Tudjman] Look at the maps and you will see that Croatia has a historical and political interest in the region.... But in the short term, the war must be halted and an extension of the conflict to a world war must be avoided. It was in Sarajevo that the spark which triggered World War I was lit. And we must prevent that from happening a second time.

[LE FIGARO] On the basis of what scenario?

[Tudjman] Volunteers intervening from various sides with the aid of various countries. Sandzak would explode, then Kosovo, and Macedonia, with the involvement of Albania, Bulgaria, and Greece or Turkey.

[LE FIGARO] What about Russia?

[Tudjman] Those who are infiltrating from the Russian side do not come from official circles but from former Bolshevik, imperial, and Russian Orthodox circles. An extension of the war in the Balkans would give them hope of bringing about changes in Russia itself.

[LE FIGARO] In your struggle against Serbia, do you feel solidarity with the Muslims?

[Tudjman] Yes....

[LE FIGARO] But?

[Tudjman] When the Croatians (of Hercegovina—LE FIGARO editor's note) were attacked by the Serbs, they were able to organize thanks to Croatia's aid. Above all they defended the Croatian regions in Bosnia-Hercegovina. Today they feel threatened by the Muslims' aspiration to establish an Islamic state.

[LE FIGARO] Do you feel that threat?

[Tudjman] The Croatian people on the spot feel it. When the Serbs separated from Bosnia, the Croatians in Hercegovina wanted to do likewise and join Croatia. In Zagreb we advised them to support the referendum for an independent Bosnia. We sent the only foreign ambassador to Sarajevo and accepted half a million refugees, 80 percent of whom are Muslim. Today, the Muslims' Islamic aspirations to Islamization have created a conflict.

[LE FIGARO] A fundamentalist Bosnia?

[Tudjman] The Bosnians are not fundamentalist in the sense of the Shi'ites. But they advocate a Bosnia which is a secular and Islamic state with a Muslim majority.

[LE FIGARO] What evidence do you have for that?

[Tudjman] There are almost 1,000 mojahedin from Pakistan, Iran, Sudan, and Libya. All those countries are helping Bosnia by providing it with financial aid and arms. We have intercepted Iranian planes which, under cover of a humanitarian organization, were trying to smuggle arms into Bosnia.

[LE FIGARO] Will you try to win back the third of Croatia which is occupied by the Serbs?

[Tudjman] If the war continues, we will probably have to settle this question by arms. But if the war in Bosnia is halted, then the political basis will exist for finding a solution to the occupied Croatian territories.

[LE FIGARO] When their mandate ends next April, will you ask for the withdrawal of the blue helmets from Krajina, the Serbian enclave in Croatia?

[Tudjman] If the Vance plan—which makes provision for the disarmament of Serbian paramilitary organizations, the return of the Croatian refugees, and the return of this region to Zagreb—does not come into force, we will not tolerate the situation any longer....

[LE FIGARO] Will you try to take these territories by force?

[Tudjman] If necessary, yes. We do not want to restart the war in Croatia and we want it to end in Bosnia. But we are not prepared to accept the occupation of Croatian territory for an unspecified period. Croatia's international borders are recognized. We therefore have a right to defend ourselves.

[LE FIGARO] Do you have a powerful enough army?

[Tudjman] Yes.

[LE FIGARO] Thanks to German aid?

[Tudjman] German aid is less important than French aid. It is nonexistent.

[LE FIGARO] Croatia's links with Germany are known....

[Tudjman] We have had to form and equip our army by all possible and imaginable means. And in this effort the Croatians have encountered very little understanding from the Germans. It is a serious mistake to think that Croatia is linked to Germany. Historical circumstances

are one thing, cultural affinities link us to everything that is happening in France at the political and intellectual level.

[LE FIGARO] Was Croatia's independence really worth the price?

[Tudjman] I would like to remind you that I have proposed a reorganization of the country along confederal lines to solve the Yugoslav crisis. I draw inspiration from the example of France and Germany, who have fought four wars in a century, in proposing a normalization of relations among the peoples of former Yugoslavia. There can be no peace in the region until this normalization has been achieved.

[LE FIGARO] You have recently signed an agreement in Geneva with Mr. Cosic, the president of "little Yugoslavia." Is your intention to resume diplomatic relations with Belgrade?

[Tudjman] In a sense, yes. But this process has been halted by the war in Bosnia and the problems which Mr. Panic [former Yugoslav prime minister] is facing in Belgrade.

[LE FIGARO] Can a confederation with Serbia be envisaged?

[Tudjman] I do not know what will happen in the distant future. But I think that normal cooperation among sovereign states is entirely possible. Fifteen years ago, I wrote that Europe should comprise sovereign states ready to voluntarily abandon their sovereignty.

[LE FIGARO] Would Yugoslavia not be a good name for a future confederation?

[Tudjman] No, certainly not!

Djukic Discusses Issue of Serbs in Croatia

AU1901091793 Split SLOBODNA DALMACIJA in Serbo-Croatian 4 Jan 93 Europe edition pp 4, 5

[Interview with Milan Djukic, vice president of the Croatian Parliament and president of the Serbian National Party, by Josip Smidt: "Are There Hints of Ethnic Hatred in the Parliament?"]

[Text] The inhabitants of Budimci, Poganovac and some other Slavonian villages with a Serbian majority population publicly expressed their gratitude to the president of the republic after their pardoned fellow citizens returned from prison. As far as we know, this was the first such gesture expressed by Croatian citizens of Serbian nationality. Milan Djukic, vice president of the parliament and president of the Serbian National Party [SNS], says that this gesture not only expressed support for President Tudjman's personal policy, but that it expressed "the belief that Croatia really wants to be the country that people who consider it their homeland opted for".

[Smidt] How did the release of the sentenced citizens of Budimci and some other villages come about? We asked Milan Djukic, who had been present at the ceremony in Budimci.

[Djukic] Tudjman directly stipulated that a pardons committee be formed that would do everything possible to release those people who had been sentenced for allegedly taking part in the armed revolt against the Republic of Croatia. The founding of this committee is actually a kind of addendum to the Abolition Law. While this law applies to citizens who have not yet been tried and to those whose cases are on trial at the moment, the pardons committee is authorized to release citizens or to shorten the sentences of those already convicted.

[Smidt] What do you think of this gesture from the inhabitants of Budimci?

[Djukic] It means a lot. It means that these people believe that the Abolition Law was not simply passed for the world's sake and for the sake of those political factors outside Croatia who wish to measure the degree of democracy in Croatia by democratic laws. This gesture refutes all those who say that such laws are only a new Croatian policy trap aimed against the Serbs in Croatia. It also means support for SNS, because not only did we stand at the disposal of citizens who had been charged, but we were also among those who initiated the passing of the Abolition Law and the forming of the pardons committee. The president really did react very quickly with his ideas and initiatives and he implemented them. It is very important that in the future and in other areas of Croatia, the public be informed about the implementation of the law and the work of the committee. This is the best confirmation that Croatia truly wants to be as the image she has presented to the international public.

A Conciliatory Attitude Toward Crime

[Smidt] You are sometimes criticized for overstressing the harm done to Serbs in Croatia while at the same time neglecting the much greater harm suffered by the Croatian people. What do you think of this criticism?

[Djukic] All such criticism that is aimed at the SNS is completely unfounded. The SNS wants a whole and sovereign Croatia, which means that it wants all those issues that are important for Serbs in Croatia, regardless of whether they are political, economic or social, to be dealt with democratically. We were the first who objected to the Serbs being granted greater rights, but we will not stand for their having a single ounce less rights than the Croats, because Croatia belongs to them just as it belongs to the Croats and other citizens. We were the first to identify the aggressor and we can be proud of that. If we had the strength to identify the aggressor and his intentions back then, we now have the right, the responsibility and the freedom to say what Croatia should not be doing, not because of the Serbs, but because of principles that are directly linked to its sovereignty, its wholeness, and the joint existence of its people.

[Smidt] What do these warnings concern?

[Djukic] We stressed a long time ago that Croatia would be making a mistake, and today it seems to be doing so in certain areas, if it identified the violation of human rights on the liberated territory of Croatia, where there is a legal system, with violations that occur in those areas where there is no system whatsoever. This includes damage, regardless of the fact that in those areas it is Croatian property that is being destroyed. You cannot compare the burning down of a Serbian village on Croatia's liberated territory after the war operations and the current burning down of Croatian houses in Obrovac or Benkovac. Croatia has to understand that it will not be able to regain its territory through force. The Krajinas are not hard to conquer, but there is always the question of who can kill 150,000 to 200,000 citizens there? The Serbs in the Krajinas are not Serbian, they are citizens of Croatia. Therefore, to conquer Banija and Kordun [regions in Croatia with predominantly Serbian population] by force, would mean killing everybody there. That would be neither wise nor smart. Croatia's official authorities must not foster the conviction that they have been wise and politically enlightened to the highest degree. This is regarding the violation of human rights and attempts to force collective responsibility on people. No whole Croatia can be achieved through peaceful means as long as Serbian rights are abused by certain government regulations. Unlike many Croats, we do not doubt the legal system and we believe in the instruments that protect constitutional order. I do not believe that Croatia will fail the test when it comes to searching for the perpetrators of crimes in the Serbian Autonomous Region of Krajina, but I do not think that a conciliatory attitude toward the perpetrators of crimes on the liberated territory of Croatia is a good thing.

Hitting One's Own Head

[Smidt] How do you interpret the fact that in certain places in Dalmatia your official visit was rejected?

[Djukic] I accepted that as normal in conditions where the instruments that protect the constitutional order are not functioning. The places in question are the municipalities where today human rights are in great danger of being violated. I would like to remind you of Interior Minister Jarnjak's statement that, when it comes to the functioning and the protection of the system, he is not satisfied with the work of the police in Metkovic. However, regardless of what anyone from the ruling party or the ministries thinks, it is clear that citizens of Serbian nationality in Metkovic, Imotski, Slavonski Brod, Bjelovar, Nasice, Pozega... are not protected in accordance with the Constitution and constitutional law. During my stay at a hotel in Nasice, I was approached by EC monitors and Serbian citizens whose house had just been blown up. There was an ugly twist to the story. The people who were preparing to blow up the house exposed their faces for a moment. Knowing that the owners, a married couple, had seen them, they herded them inside and blew up the house with them inside. The house collapsed, it cannot be lived in, but luckily, the owners survived. In this municipality, the property and the rights of citizens of Serbian nationality are being systematically destroyed and violated. Croatia must do more than it is doing to stop this. I have brought this to the attention of the highest officials, although I know that they are not behind this policy and that it is the work of individuals in the administration. But this administration is ours, it does not belong to Albania or Serbia, it belongs to Croatia. If, for example, applications for citizenship certificates are kept in drawers for 10 months, it is not the policy of a minister or the prime minister, but it is the policy of the minister's clerk and the minister is not responsible only for as long as he does not know. But if this process lasts 10 months and the clerk is not replaced, then the only person who should answer for it is the minister of that department. Any other kind of thinking means hitting one's own head.

[Smidt] Recently an article was published in NARODNI LIST bearing the title: "Who does Milan Djukic represent?" How would you answer this question?

[Djukic] As a deputy I represent the policy of the Republic of Croatia, which means everything that is in accordance with the Constitution, the laws and our choice of a better and more progressive life. Naturally, I have the right to pay special attention to those issues that are of interest to the Serbs in Croatia, a minority to which I belong. If you look at it this way, then you could say that I represent both the Serbs and all the citizens of the Republic of Croatia, just like the 130 or so colleagues of mine in the Parliament. However, if you are asking me whom I represent in the sense of who got me into the parliament, then I represent those sympathizers and members of my party and its program that voted for us. And that is not a small number. I represent all the members and sympathizers who voted for SNS, but I also represent all those Serbs who did not vote for us because they did not participate in the elections at all, those who were away, and all those who maybe voted for another program.

Is SNS a Substitute for the Serbian Democratic Party [SDS]?

[Smidt] According to the author of that article SNS is a substitute for SDS. Is that right?

[Djukic] SDS had a program whose contents and policy were equal to those of other national parties. When the party grew into a movement, when the leaders of the program vanished and the loan sharks took over, that is when the basic principles of SDS's program disappeared. That is when we came into being as a need or an alternative to the SDS, which was already declining. We will not be in the least bit unhappy if another program with the option of being a Serbian party turns up. However, the difference may be in a nuance. Our party has the word "Serbian" in its name just like SDS, but SDS was more Serbian, its policy was aimed at stressing the national essence; its program was similar to that of the Croatian Democratic Community [HDZ]. If,

however, you look at SNS, you will see that it is a civilian party, which has principles to which it adheres and which managed to survive the greatest attacks from all sides.

[Smidt] Is SNS an opposition party or not?

[Djukic] It is not and it cannot be. Two years were needed for this to become clear. During this time we were given all kinds of labels, starting with accusations that we are the extended arm of HDZ and Tudjman, or the Ministry of Internal Affairs or an imposed party etc. All these attacks were deliberate, and had we given in, we would have been the opposition's best instrument for furthering its personal position, which means that, by using us and some of the slips in the government's policy toward Serbs in Croatia, the opposition would have brought down the ruling party. We were not handicapped by either the ruling party or the opposition because Croats and Croatian parties are in both the opposition and the ruling party. SNS is a national party, it represents a minority and, therefore, it cannot be an opposition party with the parties of the Croatian people. This means that our policy toward the ruling party and toward the opposition must be of the same quality. We will always support the opposition if the choices of the ruling party are contrary to our principles. And when questions that are of interest to the Serbs in Croatia come up, then we do not need the support of the opposition, but rather the direct attitude of the ruling party. We would have the same attitude if some other party were in power.

[Smidt] At the time of your candidacy and election for vice president of the parliament, the opposition parties did not support you, while on the other hand it seemed that your appointment was forced on the deputies by the ruling party.

Who Is Lecturing the Serbs?

[Djukic] Everything that happened in the parliament is a confirmation of what I have just said. After two years, the opposition admitted that a national party, representing a minority, cannot be a member of the opposition and that is why it wanted one of the vice presidents to be a representative of the opposition. The ruling party did not influence the appointment, it only respected the constitutional law and legal regulations.

[Smidt] Nevertheless, how did you feel at that moment?

[Djukic] It did not bother me because up to now one of the vice presidents had always been a Serb, so it was logical that it should remain so. That did not lessen the necessity for one of the vice presidents to be a member of the opposition. Your paper carried an interview with a deputy of Serbian nationality who said that he was not representing the Serbs in the parliament and that he was not a Serbian deputy. If a Serb says that he is not a representative of the Serbs, but a representative of his party and its program, then he will surely agree to have a vice president who is a member of the opposition. However, that is in contradiction to the constitutional law. When the Abolition Law was being passed, the opposition was against it, and the same thing happened when there was talk of the need to keep the level of self-management in counties [kotar]. If there was a larger number of districts [zupanija], then the counties were to be transformed into districts, and if the districts were larger in size, the counties were to give the same number of deputies as the districts.

[Smidt] Do you feel somewhat isolated in the parliament, owing to your position between the opposition and many members of the HDZ?

[Djukic] I have invested too much into my "trade" to feel that way.

[Smidt] At a parliamentary session, certain deputies of the ruling party spoke very harshly and distastefully about the Serbian people. What would you say to this?

[Djukic] Croatian policy must understand that as long as there are hints of ethnic hatred in the parliament, it will not be strange if the same thing is implied in the field as well. Certain gentlemen who came here as economic migrants must understand that they cannot lecture the Serbs, who have been here for centuries. What kind of cliches and rules do we have to live by if we want to remain in Croatia? The cliches are the Constitution and the laws, and they apply equally to everyone. Therefore, with respect to all those who state their opinions out of good intentions, how can a gentleman who came here from the neighboring republic just a few, short years ago and today holds a very responsible government position, lecture the Serbs who have been in Croatia for centuries?

[Smidt] How do you envision solving the problem of the so-called Serbian Krajinas in Croatia peacefully?

[Djukic] We have submitted a proposal, it has been translated into several languages, has toured the world, and now we are trying to send it to the so-called Krajinas through the policy of informational pacification. This we see as a possibility for a quality solution. However, the Serbs cannot realize this project on their own if Croatia does not lend a helping hand. It is certain that the greatest responsibility for its peaceful realization lies with the Serbs, but Croatia must do everything possible to ensure that her role in the realization of the constitutional law is an active one. We have drawn up an appeal, and we want all citizens of Serbian nationality to take an active part in the realization of this project. We have also included to a very great extent the orthodox clergy in Croatia and asked them to contribute to it. However, Croatia must completely change its course with regard to the protection of human rights. It must not allow Serbs from the liberated parts of Croatia to move to the Krajinas because their human rights are being violated, especially those rights that they already have (like a job, an apartment and the like). This is a new danger that threatens a peaceful final solution.

Logical Illogicalities

[Smidt] You are probably trying to make contact with individuals and groups on the occupied territories. Are you doing this as vice president of the parliament or president of your party?

[Djukic] More as president of my party.

[Smidt] So-called Serbian counties have been formed. Do you think this is a good solution? What do you think about their joining the Zadar and Sisak districts?

[Djukic] Serbian counties are a good solution, because along with the special status regulations they incorporate a level of democracy that is envied by many free European countries where democracy is highly developed. However, there are some illogicalities, which is after all logical, because at the time when the constitutional law was being passed and the special status was being established the remarks of citizens for whom this constitutional document was being drawn up could not be taken into account. These illogicalities are not dangerous, because they will be modified by the people themselves once the constitutional law becomes functional by means of local elections. It would be dangerous if we were to modify the level of local self-management and independence in such a way as to place the counties under the districts. First of all, the authority and the level of self-management in districts is different from that in counties. Secondly, in the realization of local self-management and all the other things that the county obtained through the constitutional law, contacts with the central authorities have to be direct. If the counties were to come under the Sisak and Zadar districts, these contacts would be indirect. Then there is the question of the structure of the population in the districts as opposed to the counties, when it comes to electing deputies for the House of Districts. If, for example, the Knin county comes under the Zadar district, the citizens of Serbian nationality will be in a minority in that electoral constituency. What happens if that district provides three deputies for the Chamber of Districts? How many of them will be Serbs and how many Croats? How do you make it possible, under these conditions, for Serbs to vote? The elections will not be satisfactory, just as the first ones were unsatisfactory, if all citizens do not have the opportunity to vote. The local elections are the ones in danger. It will be dangerous for Croatia if the local elections are not held simultaneously on the whole territory of the republic.

[Box, p 5]

Who Is Working Against Croatia?

[Smidt] To what extent can you, in your capacity as vice president of the parliament, influence the defining of official policy?

[Djukic] I can influence it a lot and very little. A lot—because after all, I do state my opinions freely and defend them to the hilt while acknowledging criticism. On the other hand, very little in the case when the ruling party firmly decides on a course of action regardless of the consequences and the problems that might arise. In this case I can do very little, no matter what I think. However, we have told Tudjman and other high-ranking officials personally that there is a need for greater trust and consideration of proposals and remarks. The Croatian Government should take an official stand: Who is working against Croatia and who is working for Croatia in the case of Croatian Serbs. Definite calculations are fatal and they are for the most part harmful to the ruling party and its global policy, while we all feel the consequences in the end.

A D to the Freedom of the Media

[Smidt] In a survey conducted by "GLOBUS" you gave the freedom of the media a D, the lowest mark possible. How do you explain that?

[Djukic] It cannot be said that the media have freedom when it comes to Serbs in Croatia and the SNS. We do not need the media to promote our party as such, we need it to promote our party in its function as a contributor to quality in Croatian policy. When I say "Croatian policy", I do not mean the policy of the HDZ or some other party, I mean the policy of the Croatian citizens who want what they opted for. I gave this mark from the aspect of attitudes toward our party. Many magazines were censured when it came to the SNS's policy, especially when its attitudes were contrary to those of the ruling party or when we stressed certain issues that were of interest for Serbs in Croatia. The media, along with the Serbs in Croatia and the official Croatian authorities, should be the number three weapon that will help, peacefully and democratically, to shatter the ideology that Milosevic imposed on the citizens in the so-called Krajinas and to restore trust in the Republic of Croatia.

Federal

Army Commentary Ridicules U.S. Threats, Actions

AU2001103693 Belgrade VOJSKA in Serbo-Croatian 31 Dec 92 p 11

[Commentary by Ljubodrag Stojadinovic: "The Typically Impertinent Serbs"]

[Text] On 20 January, one of the most unsuccessful United States administrations retreats into history. The George Bush team tried to present (unsuccessfully) America as a saint-protector that is truly eager to bring peace everywhere, but through the force of arms. America jumped into the Balkan war fervently but clumsily, threatening force where brains were needed and preaching morals where any reasoning would have come too late. All warnings from the most competent American military people that force cannot be used where the enemy is unknown, were in vain— Bush and his aides had already determined that the enemy was Serbia. In that moment the United States, being the major source of arrogance in the last two decades, put its entire short democratic history in jeopardy. Serbia is 11 centuries older than the United States and is not obliged to understand American efforts to determine Serbia's future by force. The author of these lines is in possession of documentation indicating that the most famous house in the world—the White House—threatened Serbia and Yugoslavia more than 50 times in the last eight months, and that every corner of the house was fully engaged in it,—including ambassadors, representatives, spokesmen, high and low officials, the President and his advisers, diplomatic envoys and their aides. Those who did not threaten are the Secretary of Defense Dick Cheney and General Powell, chief of the Joint Chiefs of Staff. Journalists, commentators, and all who are ignorant of geography and history, however, who observe Serbia only from the Croatian and the Slovene point of view, were excitedly threatening us. Only three weeks are left until Mr. Bush finally retires and Mr. Eagleburger finally undergoes diet therapy. Even though they are facing their political deaths, even though their advisers are too bellicose and their allies are frightened, they all still want to take control of the Bosnian and Serbian skies. Of course, the Americans did not even think about engaging their infantry—the European allies were in charge of that job. The FRY response that it would withstand the aggression because it had no other choice was defined by the White House as major impertinence and as proof that all Serbs are of the same tribe, helping one another particularly when destruction knocks at their door. Such impudence aggravated Washington so much that it actually called upon the ethnic Albanians through an official message suggesting that they offer resistance. "If the state tries to surpress it, America will use force against Serbia," Bush said. Perheps he does not know that the ethnic Albanians do not like the winter, and that if they really do intend to offer resistance, they will do it in the spring. Spring brings another story, however. The first thought when speaking of the winter is: What about Russians? Of course, there is no answer, because the idyllic fairy tale about the almighty "orthodox brothers" vanishes when faced with reality, just like all fairy tales. One can notice that what the organ of the Russian Defense Ministry (KRASNAYA ZVEZDA) writes, however, is quite different from official Moscow politics. The critical level of disparity is found somewhere between the justification of interests on the one hand, and the justification of patriotism on the other. KRASNAYA ZVEZDA offered its readers all the facts regarding the military intervention in Yugoslavia. The main thought implied is that if it comes to intervention in Yugoslavia, hopes of preserving any stability in Russia would be very naive; of course, if Russia officially consents to the intervention. So, the destiny of the Balkans may depend on a Russian "yes" or "no". All that matters is a well-arranged schedule of approvals and disapprovals. For instance, the government of former Prime Minister Yegor Gaydar used to be quite "easy"— it was unable to say "no."

On the evening of 13 November 1918 the Serbian soldiers were ordered by the General Staff to breach the Salonika front. This historic order was personally signed by General Zivojin Misic. The order states: "All commanders, officers, and soldiers have to be driven by the notion that the entire offensive depends on the speed of action. That speed protects us at the same time from any possible surprises, because it causes confusion among the enemy, thereby enabling us to act freely. One should boldly and relentlessly break through the front, and use the strength of people and horses to the utter exhaustion...." The order concludes: "With firm faith and hope, go to the fatherland!" Now we know that for us it is impossible to leave our fatherland, as our ancestors had done, and launch a venture like the Salonika expedition. We do not want to leave our fatherland, and we have nowhere else to go. The word of the week: intervention. We have heard before that we have become international problem number one. No one can restrain us. Therefore, they threaten a limited intervention. The intervention against Serbia is supposed to take place in Bosnia-Hercegovina. The intervention against Bosnia is supposed to take place in Belgrade which is full of people from Bosnia-Hercegovina. By the way, all the wrong people live in the capital. The operation will begin with election ballots thrown from the sky, reading: "We do the voting instead of you." If that does not work, then something dreadfull will follow: they will throw down the members of the international commission, locked up in the ballot boxes. Of course, that will not do, so then they will throw down the members of the CSCE, the Security Council, the Red Cross, and other observers, we don't give a damn. After that, the severest measures will follow: Serbia will be fired at by Lawrence of Arabia Eagleburger. Such an action cannot be ruled out, because this large political figure is going to be out of a job soon. The consequences of his fall could be quite disastrous. What would remain is a crater, and an accusation that Serbia has an active volcano, which means that we cause

riots in our own country, apart from everything else. If that would not do (and it will not), they plan to do something that will definitely smash us. They plan to fetch back [former Ambassador Warren] Zimmerman, in Kosovo rather than Belgrade. That would be absolutely the final blow, because that gentleman used to have contact only with ethnic Albanians. As far as the Air Force is concerned, they are not going to engage it. There have been enough Phantoms over here already.

The river threatens to overflow. We must take a deep breath.

Army Patrol Enters Hungarian Territory

LD2001180693 Belgrade TANJUG Domestic Service in Serbo-Croatian 1641 GMT 20 Jan 93

[Text] Belgrade, 20 Jan (TANJUG)—The information service of the 1st Army of the Yugoslav Army confirmed today that due to thick fog, a border patrol of the Yugoslav Army entered 100 metres into Hungarian territory yesterday.

In connection with this incident on the Yugoslav-Hungarian border near the town of Horgos, the information service issued the following statement:

"Due to thick fog and poor visibility, a border patrol of the Yugoslav Army entered 100 metres into Hungarian territory near the town of Morahalom yesterday afternoon, 19 January.

"Conscript Momcilo Belesnil and soldier Milenko Bojicic were in the border patrol. After finding they had made a mistake, they took a short cut and returned to the territory of Yugoslavia.

"Officers of Yugoslav and Hungarian border units agreed immediately afterwards, as is customary in such circumstances, that local border commissions should meet to investigate the incident.

"The Yugoslav Army expresses regret over the incident."

Politicians Assess Bosnian Serb Decision

LD2101033493 Belgrade TANJUG in English 0007 GMT 21 Jan 93

[Text] Belgrade, January 20 (TANJUG)—The Montenegrin president and leaders of the ruling and opposition parties in Serbia stated on Wednesday [20 January] the conviction that significant headway was made towards peacefully solving the crisis in Bosnia-Hercegovina through adopting the constitutional principles for Bosnia-Hercegovina by the Assembly of Serbian Republic in Bosnia-Hercegovina (R.S.).

Montenegrin President Momir Bulatovic said that accepting the principles meant a new political and diplomatic stage in ordering relations in this former Yugoslav republic.

"I believe that by accepting this document, generally speaking, the ticket is being bought for further political and diplomatic talks as the sole means possible towards securing equal positions and roles of all three constituent peoples in Bosnia-Hercegovina," Bulatovic said.

Vice-President of the ruling Socialist Party of Serbia (SPS) Goran Percevic assessed that the decision was a wise move and that its significance was in that it opened the possibilities for a peaceful and diplomatic solution to the situation in Bosnia-Hercegovina.

"This decision is in any case an international recognition of the R.S. Assembly and its affirmation as a democratic organ," said Percevic.

This decision would not definitively resolve the fate of the Geneva talks, he said and added that their fate would depend on the talks on the maps.

The Serbian Renewal Movement (SPO), a party within the DEPOS [Democratic Movement of Serbia] opposition coalition, welcomed the acceptance of constitutional principles, said its spokesman Ivan Kovacevic.

Kovacevic, however, warned that peace "achieved by those who contributed to this war will not be stable peace."

The Democratic Party of Serbia (DSS), also a DEPOS coalition member, believes that the "Serb people has chosen the sole rational option at this time" and the DSS supported this.

However, the DSS noted with "bitterness" that the authorities in Serbia, through their wrong state and international policies, "have brought the Serbian people in a situation when it must give up its sovereign right to self-determination," said DSS spokesman Milorad Jovanovic.

Experts Deny Yugoslav Nuclear Capability

LD1901183593 Belgrade TANJUG Domestic Service in Serbo-Croatian 0927 GMT 19 Jan 93

[TANJUG at 1020 GMT on 19 January issued a service message killing this item]

[Text] Belgrade, 19 Jan (TANJUG)—Following some recent statements that our military experts are preparing to produce missiles with a range of up to 1,000 kilometers and an article in the independent newspaper ROMANIA LIBER that the West is reluctant to intervene in the area of former Yugoslavia because "the Serbs have nuclear weapons", today's MAGYAR SZO published the opinions of well-known nuclear physics experts.

Bela Kovacs, who worked for many years in the Vinca Institute and has been employed for 25 years in nuclear affairs in the State of Ohio, maintains that "Yugoslav is

not capable of manufacturing nuclear weapons unless it has acquired them somewhere within the past four to five years."

In the former Yugoslavia only Krsko and Vinca could have theoretically produced nuclear weapons. The nuclear power plant is now in independent Slovenia while in the institute near Belgrade only one of its two reactors is operational.

"That reactor, however, is not capable of producing nuclear bombs but one cannot rule out that they have been bought from some of the former Soviet republics," Kovac said and added that at the moment the United States is preocuppied with Somalia, Iraq, and the changeover in the White House rather than with Bosnia.

In the opinion of Ferenc Kormendi, an assistant at the Research Center at the Technical Faculty of Belgrade, our country does not have the technological capability to produce nuclear weapons. It is not enough to acquire components, something that is borne out by the case of Iraq which has been stubbornly trying to create "secret weapons".

It is Russia, the United States, Great Britain, France, China, India, South Africa, Ukraine, and Kazakhstan which possess nuclear weapons. As for our missiles, it is likely that their warheads contain chemical or other substances, Kormendi said.

Article Views Possible Candidates for Premier

AU2001213093 Belgrade POLITIKA in Serbo-Croatian 7 Jan 93 p 7

[Article by R. Rankovic: "The Prime Minister: Minic, Sainovic, Lilic, Covic, Bozovic, Kovac..."]

[Text] Although republic and federal parliaments are not yet constituted (not all deputies are even known), the public has already started guessing the name of the future prime minister of Serbia. Apart from Milomir Minic, secretary general of the Socialist Party of Serbia and director of the Belgrade railroad transportation organization, and Nikola Sainovic, former republic and federal minister, some other names are also being mentioned, above all from the ranks of the Socialist Party of Serbia.

The following people are being mentioned as possible candidates for the Serbian prime minister-designate: Zoran Lilic, director of the Rekord Factory and head of the caucus of the Socialist Party of Serbia in the Serbian Assembly; Nebojsa Covic, head of the Belgrade Socialists and director of the Metal Products Factory. As we have learned, the present prime minister, Radoman Bozovic is also to be considered in the race. One can also hear—completely quietly and unobtrusively—the name of Oskar Kovac, former vice chairman of Panic's cabinet.

However, according to Ivica Dacic, member of the Executive Committee of the Socialist Party of Serbia, it is still premature to speak about a candidate for the prime minister although some names have undoubtedly been mentioned.

Much more will be known after the Executive Committee of the Socialist Party of Serbia and its Main Committee hold their sessions. Apart from allocating deputy posts for the Federal and Republic Assemblies, these sessions will also discuss the constitution of the organs of power and the way to form the government. Of course, the constitution of the local organs of power will also be discussed, Dacic said.

In other words, the highest body of the Socialist Party of Serbia should decide whether it will form a coalition with some other party or whether a coalition government will be formed. According to Dacic, consultations will then be held with Serbian President Slobodan Milosevic who—according to the Constitution—should propose the prime minister designate to the People's Assembly.

Until the Socialist Party of Serbia finally decides what it is going to do, the only thing left to the public is to reach an approximate answer using the system of elimination. For example, even at the times when the Socialist Party of Serbia had a definite majority in the Serbian Assembly, Zoran Lilic announced that he is no longer going to be the head of the caucus, so it is hard to believe that he will accept the post of prime minister in this new relation of political forces.

As we have learned from reliable forces, Covic would like very much to be given the post of the prime minister, but his chances are very small. It has also been learned that one should not count very much on the possibility of Bozovic continuing where he left before the elections. Oskar Kovac is given minimal chances.

At one time, Milomir Minic pointed out that his function as secretary general of the Socialist Party of Serbia is not incompatible with the post of prime minister, so many Socialists are prepared to give him the greatest chances.

On the other hand, Nikola Sainovic is considered a very trustworthy person, so his chances should not be underestimated. It should not be forgotten that Sainovic used to be energy minister for a long time and was promoted into deputy chairman of Bozovic's government and then into federal minister.

In any case, as the Socialists themselves admit, the chair of the republican prime minister is going to be very hot (something that many people seem not to realize) and also very rickety.

Regarding Milan Panic's post, it seems that it has already been decided that, as has been envisaged by the Constitution, Montenegrins will propose their man. One will not have to wait long for the answers.

Sanctions Force Workers Into Paid Leave

LD1801152893 Belgrade TANJUG in English 1405 GMT 18 Jan 93

[Text] Belgrade, Jan 18 (TANJUG)—About one-third of the 2.3 million people employed in the social sector in the Federal Republic of Yugoslavia are currently on unplanned paid vacations, the Federal Trade Union Organization said on Monday [18 January].

Most of those covered by TANJUG's survey say the main reason for this forced unemployment are the international economic sanctions which have almost totally isolated the Federal Republic of Yugoslavia from the rest of the world. Perpetuation of the embargo for much longer will inevitably result in further growth of the number of temporarily unemployed, they add.

The production, export and import decline reached dramatic proportions after the U.N. Security Council on May 30 last year imposed tough economic and political sanctions on the Federal Republic of Yugoslavia, which is made up of Serbia and Montenegro, two of the former Yugoslavia's six republics, on account of its alleged involvement in the civil war in breakaway Bosnia-Hercegovina.

The federal trade union said the sectors hardest hit were the labour-intensive ones: the textile and metal industries, and foreign trade.

The Chamber of Economy of Serbia's northern province of Vojvodina said that fully two-thirds of the 30,000 people employed in the province's textile industry had been sent on unplanned vacations.

Hardest hit in Vojvodina is the chemical sector, whose production has been brought to an almost total halt by the embargo on the delivery of imported natural gas.

Some 6,000 of the 10,000 people employed in this industrial branch have been sent on unplanned vacatioins, and its difficulties directly affect all branches technologically tied to it, the chamber said.

The Trade Unions of Montenegro said that by the end of 1992 some 18,000 workers in the republic had been sent on unplanned holidays. The figure grew considerably in January, when the republic's two biggest firms—the aluminium complex and the steel mill in Niksic—joined the ranks of those sending workers on unplanned leave.

Since the sanctions were imposed no fewer than 75 firms with a total workforce of 31,000 approached the Montenegrin Government for loans to pay out salaries.

Between one-fourth and one-fifth of the 550,000 employed persons in the Yugoslav capital Belgrade are on paid leave, the municipal chamber of economy has said.

Almost two-thirds of the total workforce in Krusevac, regarded as one of Serbia's most industrially sound towns, are now on unplanned leave, local trade union president Milenko Mihajlovic has told TANJUG.

Some 60 per cent of the 36,000 people employed in Uzice, an industrial centre in western Serbia, are on unplanned leave, TANJUG has learned from the municipal trade union.

A similar situation exists in Bor, where one-fifth of the 23,000 employed in the giant RTB mining and smelting complex have been sent on unplanned holidays.

The Serbian and Montenegrin Governments have issued decrees banning firms from laying off employees as long as the international sanctions remain in force—all those sent on unplanned vacations are guaranteed at least 85 per cent of the legal minimum wage in the republics.

Economy at Critical Point; Local Supplies Dry Up

LD2001123893 Belgrade TANJUG in English 1213 GMT 20 Jan 93

[Text] Belgrade, Jan. 20 (TANJUG)—The Yugoslav economy has arrived at a critical point—local stocks of raw materials have been almost totally consumed, Tomislav Milisavljevic of the Belgrade Market Research Institute told TANJUG on Wednesday [20 January].

All imports and exports were halted after May 30 last year, when the U.N. Security Council imposed tough economic and political sanctions on the Federal Republic of Yugoslavia, which is made up of Serbia and Montenegro, two of the former Yugoslavia's six republics, on account of its alleged involvement in the civil war in breakaway Bosnia-Hercegovina.

Perpetuation of the blockade for just a few months will completely halt activity in certain branches of the economy, Milisavljevic said.

The Chamber of Economy of Serbia has said that the economic blockade was in 1992 responsible for reducing industrial production in Serbia by 21.5 percent compared with the year before.

The decline was somewhat slower in the first five months of 1992, ranging from 6.7 percent in January to 10.6 percent in May.

Production fell by a record 50 percent in the vehicle manufacturing sector, by 49 percent in non-ferrous metal processing and by 36.2 percent in the machine-building industry.

The chamber said the overall 1992 industrial output decline was nevertheless less than expected—the figure they forecast last year was 40 percent.

Serbia

Visiting Russian Deputies Say Sanctions 'Unjust'

LD2001023693 Belgrade TANJUG Domestic Service in Serbo-Croatian 1451 GMT 19 Jan 93

[Text] Nis, 19 Jan (TANJUG)—The sanctions are unjust and we are determined to ensure that they are lifted, a group of Russian parliamentarians, members of the Supreme Soviet, stated in Nis today in a meeting with the leadership of Nis and the Nis district.

Vladimir Borisovich Isakov, head of the Russian delegation, which is in our country at the invitation of the Karic company, said that by supporting the blockade Russia "had stabbed itself in the back" and that the issue of lifting the sanctions would soon be on the parliamentary agenda.

"Efforts to achieve peace and a just solution to the issue of Bosnia-Hercegovina are Serbia's main objectives. The world does not know a great deal about this," Nis mayor Stojan Randjelovic said. He added that friendly Russia could help to promote a comprehensive and objective picture of Serbia to the world.

It was stressed in the talks that because of the sanctions the Nis economy and Russian partners had lost deals worth several hundreds of millions of dollars.

For instance, the Nis machine-tool industry annually exported to Russia goods worth 150 million dollars. The Nis electronics industry failed to implement an agreement to export 600,000 cathode tubes to Russia through the Dutch firm Philips.

Quarter of Firms 'Incapable' of Paying Debts

LD2001160393 Belgrade TANJUG Domestic Service in Serbo-Croatian 1214 GMT 20 Jan 93

[Excerpt] Belgrade, 20 Jan (TANJUG)—According to today's statement by the Social Accountancy Service [SDK], on the last day of last year 13,319 firms were unable to repay their debts. These firms employ 887,819 workers, nearly half of the economy's work force.

According to the SDK, it is obvious that a quarter of firms are in the red and that they are incapable, whether constantly or temporarily, of paying their outstanding debts on time. As many as 3,510 firms never have any money in their accounts. The total of their outstanding debts amounts to 162.8 billion dinars. [passage omitted]

Macedonia

Greek 'Warplane' Violates Macedonian Airspace

AU2001173893 Paris AFP in English 1721 GMT 20 Jan 93

[Text] Skopje, Jan 20 (AFP)—A Greek warplane violated Macedonian Wednesday [20 January], Macedonian radio announced. [sentence as received]

The report came as the E.C. criticised Greece for continuing to veto recognition of the former Yugoslav republic of Macedonia by the European Community.

A French-made Mirage penetrated the airspace for four kilometers (three miles) at an altitude of 1,500 meters over the town of Gjevgjelija about 1:45 p.m. (1245 GMT), the radio said.

It left Macedonia over Dojrann Lake, about 30 kilometers (20 kilometers) to the east.

The new violation came 10 days after Skopje protested at an earlier violation of its airspace by a Greek air force plane.

In an address to the European Parliament, the current chairman of the E.C.'s Council of Ministers, Uffe Ellemann-Jensen said Wednesday of Greece's refusal to recognize Macedonia, "Greece has acted unreasonably. I am ashamed of the Greek attitude."

"The other 11 countries (of the E.C.) have just about had enough of Greece's obstruction," he said.

Last week, the Danish minister urged that the United Nations Security Council recognise Macedonia, so that individual E.C. members could ignore the Greek veto.

The E.C. cannot collectively recognise Macedonia except by unanimous vote. Greece has said it will maintain its year-long veto of recognition as long as Macedonia does not change its name.

Gligorov Said in Favor of Reuniting Yugoslavia

LD2001114893 Belgrade TANJUG Domestic Service in Serbo-Croatian 0927 GMT 20 Jan 93

[Text] Podgorica, 20 Jan (TANJUG)—In an interview to the POLIS newspaper of Podgorica, Macedonian President Kiro Gligorov indirectly spoke in favor of the creation of a regional community of the former Yugoslav republics which would then join wider European communities.

Gligorov said: "If the peoples of Yugoslavia wanted to live in separate states, we should have split up in a civilized way, like the Slovaks and the Czechs, although I do not think that either of them are particularly happy." Gligorov then added: "But they reached the conclusion that the separation was necessary and that they might live together some time in the future again. We have also lived, and will continue living, together here and therefore there should be as few obstacles as possible to communication."

"Macedonia is not ready to accept a double name, because that would mean that the discussion about the national identity of Macedonians will start again," Kiro Gligorov said.

Serbs in Kuceviste Protest Police Actions

LD1501232293 Belgrade TANJUG Domestic Service in Serbo-Croatian 2103 GMT 15 Jan 93

[Excerpts] Kuceviste, 15 Jan (TANJUG)—A protest meeting of Macedonian Serbs was held in the village of Kuceviste, Skopska Crna Gora, this evening against the brutal action of the Macedonian police in this village on New Year's Eve and other cases of police pressure on and mistreatment of citizens of Serbian nationality.

The meeting was attended by approximately 500 people from this and nearby villages as well as from Skopje and the Gostivar, Porece, Ohrid, Kumanovo, and Pcinja regions and Povardarje. It also was attended by Bogdanco Bogov, Macedonia's deputy minister of internal affairs. UNPROFOR [UN Protection Force] representatives in Macedonia did not respond to the invitation issued by the meeting's organizer. [passage omitted]

The conclusion reached at the meeting was to submit a demand to the international community for the protection of Serbs' human and national rights in Macedonia. "If Serbs continue to be mistreated by the Macedonian authorities, they will forced to take some measures of self-protection, making use of all legal means available within the Macedonian legal system and the international law on human and national rights and liberties."

One of the demands was to remove "as unnecessary" the police station in Mirkovci, which was opened a year ago, because many people consider it "one of the biggest police strongholds in Macedonia," or else to change the national structure of this police station so that it corresponds to the national structure of the population of this region and appoint a Serb as its chief.

Other demands were made at the meeting, such as the ones concerning education and religious freedoms.

Electricity, Bread, Meat Prices Increase

LD1901232893 Belgrade TANJUG Domestic Service in Serbo-Croatian 1852 GMT 19 Jan 93

[Text] Skopje, 19 Jan (TANJUG)—The latest decision of the Macedonian Government to increase the prices of electricity, bread, and milk came into force today.

The price of electricity is 56 percent higher. A 700-gram loaf of bread now costs 600 dinars instead of 350. The price of milk has also increased considerably. A liter of milk costs between 700 and 800 dinars depending on the type of packaging.

In connection with the latest price rises, the Macedonian trade unions have issued a statement saying that a large number of impoverished citizens had hardly been able to make ends meet even without the latest price rises. The trade unions also say that the latest price rises will trigger a series of other price increases.

Montenegro

Montenegro Violates United Nations Sanctions

AU1901190393 Belgrade BORBA in Serbo-Croatian 8 Jan 93 p 24

[Report by J. Putinkovic: "Montenegro Uses Up the Serbian Detained Oil"]

[Text] Belgrade—In the port of Bar, Montenegro, the detained Serbian oil has been stored. Despite all negotiations and mediations with the Montenegrin authorities, the oil lobby in Bar has still not deigned to enable the transport of the desperately needed fuel to Serbia, so these days a Serbian government delegation is expected to visit Bar and Podgorica. As we find out at the Oil Industries of Serbia, Montenegro has most probably started to consume the detained Serbian oil, thereby going on with the practice that during the oil blockade, Montenegro supplies its market through Serbian state-owned and private oil distributors. The people we spoke with emphasize that during the recent summer season Montenegro did not import a single liter of fuel of its own, and it is the Oil Industries of Serbia who saved them from collapse. However, in the responsible ministry we were not able to find out who the real owner of the detained oil is, and what quantity has been dealt with—there was no way to pin down the people in charge of public relations. In "Jugoskandik," which has been supplying drivers in Montenegro with fuel at two leased gas stations, people say that they have had no problems so far, neither with the harbor authorities nor with the Montenegrin government. Zvonko Volaric, head manager of the "Jugoskandik" oil branch, says that they took on leased harbor storage facilities in which stored oil shipments without paid customs duty can still be found. The goods were purchased before, and have been distributed either at "Jugoskandik" gas-stations in Montenegro, or retailed to other private firms. In Montenegro, "Jugoskandik" sells fuel for foreign currencies. A liter of "super" costs two German marks and a liter of "diesel" 1.7 German marks. At our remark that foreign currencies are not a lawful means of payment in the FRY or Montenegro, Volaric explained that they made an agreement with the Montenegrin Government and that "Jugoskandik" after all pays its tax in foreign currency, too.

Kosovo

Pristina University Reports 768 Teachers Fired

AU1501220393 Tirana ATA in English 1121 GMT 15 Jan 93

[Text] Tirana, January 15 (ATA)—The delegation of the Council of the University of Pristina in their latest meeting analysed the situation of the teaching staff since June 28 last year when Serbian violent measures were applied in this institution of the Albanian language and culture. The report presented on this occasion said that

as a result of these measures, 768 pedagogues were dismissed from the University of Pristina.

Serbs Reportedly Close Down Health Center

AU1901165493 Tirana ATA in English 0927 GMT 18 Jan 93

[Text] Tirana, January 18 (ATA)—In the context of operations for abolishing the health institutions in Kosovo, the repressive Serb organs ordered recently the closing down of the health center in Malisheve. The commune numbers, around 50 thousand inhabitants, mostly Albanians, are facing extraordinary hardships in this area.

Serbs Reportedly Forcibly Expropriating Firms

AU2001181093 Tirana ATA in English 0924 GMT 20 Jan 93

[Text] Tirana, January 20 (ATA)—The integration of the Kosovo economic enterprises and other institutions into those of Serbia by means of violence is intensifying. Some days ago the Trade Enterprise of Mitrovice was adjusted to the Universal Enterprise of Belgrade without the workers' consent. The director of Polet Enterprise of the Army stated that he will also dismiss even those few Albanian workers, who do not reconcile with such an act.

Police Mistreatment of Albanian Travelers Reported

AU2001200493 Tirana Radio Tirana Network in Albanian 1830 GMT 20 Jan 93

[Text] A statement issued by the Information Ministry of the Kosovo Government reports that for over five days now the Serbian police forces in Krusevac of Serbia have more than 1,000 Albanian passengers who travelled with regular passports to West European countries. The police have detained these worried travelers at the Fireworks House in Krusevac and is not permitting anyone to contact them, even the press representatives of the regime.

Reliable sources inform that all the travelers have been brutally beaten by the police and their money and other valuables confiscated. Finally, the police started to select hostages by releasing the old people as they were, beaten and stained with blood, and keeping the young people for violent mobilization.

Albanian travelers have recently become the object of mistreatment, raids, and mobilization not only in Serbia but also within Kosovo.

Concerning these criminal acts, the Kosovo legitimate authorities informed the secretariat of the international Geneva conference and the CSCE observers.

Police Reportedly Evicting Albanians

AU1901203393 Tirana Radio Tirana Network in Albanian 1830 GMT 19 Jan 93

[Text] According to the reports by the Balkan Independent Rubber and Chemical Industry Trade Union of Suhareke, about 95 percent of the Albanian workers who lived in social dwellings are violently evicted from their houses. In many cases, the act of eviction has been committed with the help of the police, whereas those few workers who still have the keys to their apartments are on further lists to be evicted later. Several of the dwellings previously inhabited by Albanians have already been distributed to Serbian families, among whom there are many who have come from the areas affected by the war, and as it is said, there are also many who do not work in the Balkan enterprise at all.

Political Situation in Kamenice Said 'Grave'

AU2001180793 Tirana ATA in English 1118 GMT 20 Jan 93

[Text] Tirana, January 20 (ATA)—The political situation and that of security in Kamenice Commune of Kosovo is grave. The Serb police continues house searches in the Albanian families under the pretext of searching for arms. Dozens of activists of political parties were summoned in the socalled informative chats. The legitimate subjects of Kamenice suggest the citizens to be careful and call on them to prevent the provocations of the Serb power.

Paper's Staff Protests Serb Arrest of Reporter

AU1901165793 Tirana ATA in English 1117 GMT 19 Jan 93

[Text] Tirana, January 19 (ATA)—On January 17, around 1400 the Serb police arrested in Pristina the reporter of RILINDJA, Belul Jashari. The decision for arresting him says: According to the penal law of the Republic of Serbia it is done allegedly under the charge of breaking up false news and because of the writings issued in the newspaper RILINDJA regarding the strikes of the miners of Kosovo staged on February 1989. Belul Jashari was set free on January 18 morning after spending one night in jail.

The reporters' staff of RILINDJA sternly protests against this act on the part of the Serb police and generally against the Serb repression on the Albanian reporters and information in Kosovo. In the face of this repression the reporters of RILINDJA once again pledged to continue their professional and human mission to provide a real and accurate information even in this narrow space of the Albanian information in Kosovo.

Albanian Official Wants Bosnia-Style Solution

AU1901165693 Tirana ATA in English 0924 GMT 19 Jan 93

[Text] Tirana, January 19 (ATA)—If the so-called Bosnian compromise imposed by Geneva manages to stabilize the situation in Bosnia, it is supposed that the Geneva conference will make a new start on the problem of Kosovo, whose population remains the last ethnic subject in former Yugoslavia without a status of international legitimacy, Nik Gjeloshi, deputy prime minister of Kosovo, stated in an interview with the Albanian Telegraphic Agency.

Kosovo has its own borders defined by the constitution of former Yugoslavia, said he. Commenting the endeavours of the Kosovo government at these moments, he said that we are interested only in the disintegration of former Yugoslavia, and each nation have its share and rights according to that constitution.

If Geneva recognized an advanced status for the Serbs of Bosnia, who did not have it in the 1974 Constitution which arranged the interethnic relations in Yugoslavia, this is another argument to settle the Kosovo issue, said Gjeloshi. This constitution determines its political and national constitution and above all it settles the problem of the geographic borders with Serbia and the other republics in former Yugoslavia. It is natural for the conference to take advantage of the same measure to settle these problems and to evaluate equally the rights of the people for self-determination. If Serbia is pleased with the Bosnian solution, it will unhesitatingly accept the legitimate status of Kosovo, which has been chosen by its own people by means of its political institutions.

Rift Reported Among Ethnic Albanian Parties

LD2001135493 Belgrade TANJUG in English 1149 GMT 20 Jan 93

[Text] Belgrade, January 20 (TANJUG)—The Belgrade daily BORBA said on Wednesday [20 January] that leaders of political parties of ethnic Albanians in the Serbian province of Kosovo-Metohija were beginning to differ on the national question after almost four years of national homogenization.

The position of Ibrahim Rugova, the leader of the Democratic Alliance of Kosovo—the strongest party of ethnic Albanians, "has been seriously shaken after international institutions took the stand that Kosovo is an integral part of the Republic of Serbia and that borders cannot be changed by force, and refused to recognize the so-called Republic of Kosovo or its right to secession," said BORBA.

The Belgrade daily said that "for years, Rugova had maintained the thesis on an independent and sovereign Kosovo, or actually a second Albanian state in the Balkans."

Leaders of political parties of ethnic Albanians, who are a national minority under the Constitution of the Federal Republic of Yugoslavia, illegally proclaimed a Republic of Kosovo two years ago and chose their own government and parliament, urging the secession of Kosovo from Serbia and Yugoslavia and its annexation to Albania.

"Instead of the previous insistence on a sovereign and independent Kosovo, Rugova now underscores the neutrality of Kosovo with respect to both Serbia and Albania," said the daily, indicating that "extremist nationalist-separatist forces, rallied around the party of national unification which urges war as the only solution to the national question of ethnic Albanians, are opposed to this now."

Redzep Cosja, leader of the Forum of Albanian Intellectuals and "advocate of the unification of all Albanians, regardless of cost," criticized Albanian President Sali Berisha of "betraying national ideals of all Albanians who live outside Albania," BORBA said.

Cosja did this in an open letter published in the Pristina Albanian-language daily ZERI, on the occasion of a recent statement by Berisha at the NATO headquarters in Brussels that "the idea of a greater Albania has absolutely no support among serious Albanian political forces," said BORBA.

Serbian Plan To Attack Kosovo Cited

93BA0482C Belgrade BORBA in Serbo-Croatian 5 Jan 93 p 12

[Article by M.A.: "A Strike From Three Directions"]

[Text] Pristina—The Pristina magazine ZERI in its New Year's issue, reprinting an article from the Swiss newspaper BIENNALES based on the story of an unidentified Albanian officer from the Army of Yugoslavia [VJ] who "recently" deserted, reveals "Serbia's war plan for an attack on Kosovo."

Neither ZERI nor its Swiss source states the rank of the fugitive officer, but before it presents the details from the "secret plan," it alerts the readers that it is quite possible that KOS [Counterintelligence Service] planted this plan in order to disorient Albanians in carrying out their global plan and in order to conceal an altogether different new plan for an attack on Kosovo, but nevertheless, "because the plan is a simple one, because the locations given for military facilities correspond to the everyday knowledge of Albanians," "we have to believe that this plan is accurate."

The first fact which the fugitive Albanian officer reports is that "the territory of Kosmet is controlled by the 52d Corps of the Army of Yugoslavia," that its main command post is at Dulje, and a sketch of its underground shelter is presented to the public. It then goes on to say that the rear storehouses of the corps are located in Gracanica, Lukar, Zvecan, and other locations, which

are military facilities that are no secret to any inhabitant of Kosmet. And then to make this information convincing, it states the location of the command post of the 3d Army, which according to the fugitive officer is on the Pec-Rozaje road. Then, the war deployment is given for missile and armored units and also air defense and communications centers. And again, to be convincing, it says "that the largest strategic point in Kosovo is Slatina, because an underground air base and storage facilities with surface-to-air missiles with three missile-launching ramps are located beneath Goles." The "heart" of this plan, according to the article in ZERI, are the three lines of attack of the Serbian Army against Kosovo. Because the Army is assembled in the areas of Nis, Prokuplje, Krusevac, and Kursumlija, the first is a penetration along the line Pristina-Urosevac-Kacanik, and then Pristina-Lipljan, Stimlje-Suva Reka-Prizren, and Pristina-Malisevo-Orahovac, "all with the objective of preventing aid from Macedonia and Albania."

The second prong, because the Army would be staged around Kraljevo and Raska, involves taking a position along the lines: Kopaonik-Kosovska Mitrovica-Vucitrn—and then Kosovska Mitrovica-Srbica-Glogovac and Kosovska Mitrovica-Rudnik-Istok-Durakovac. Its objective is "continued operation if units from Sandzak should block the Ibar Highway."

And the third is along the lines: Rozaje-Pec-Klina and Rozaje-Pec-Decane-Djakovica, because the Army would be staged in Montenegro, and the objective is to "prevent a meeting of Albanians from Montenegro with Sandzak and Albanians from northern Albania with Kosovo."

In passing all of this and a number of other details, ZERI reminds its readers that regardless of how convincing it is, they should not forget that there could be some other plan, because this one "does not contain attacks with airplanes and missiles from Serbia," and then it adds at the end "that there could be war in this region, but only when the Albanians want it."

Vojvodina

Opposition Parties Form Local Coalition

LD2001194793 Belgrade TANJUG Domestic Service in Serbo-Croatian 1645 GMT 20 Jan 93

[Excerpt] Novi Sad, 20 Jan (TANJUG)—Representatives of the Reform Democratic Party of Vojvodina [RDSV], the Democratic Party, DEPOS [Democratic Movement of Serbia], and the Democratic Community of Vojvodina Hungarians have agreed to form a coalition at the provincial level. This was revealed at a press conference held in the RDSV headquarters today.

Since two independent candidates joined their deputies' club, which numbers 58 members, the democratic opposition has secured half of the total of 120 seats in the Vojvodina Assembly.

The parties which signed the coalition agreement, RDSV Chairman Dragoslav Petrovic stressed, have concluded that democratic changes must be brought about by peaceful means, that the coalition must do everything to prevent possible conflicts in Vojvodina, and that it is necessary to decentralize the economic development of the Republic of Serbia.

The coalition champions Vojvodina without state attributes, but as an area which would have the optimum degree of autonomy in the spheres of economy, culture, education and information. The future provincial government, which, according to Petrovic, should be a government of experts, should be formed with this goal in mind. The coalition proposes that the Vojvodina Assembly speaker should be a non-party personality, and they proposed Ms Stevanka Batak for this office. [passage omitted]

Fertilizer, Fuel Shortage Threatens Harvest

LD1501123293 Belgrade TANJUG Domestic Service in Serbo-Croatian 0216 GMT 15 Jan 93

[Excerpt] Novi Sad, 15 Jan (TANJUG)—The most acute problem for Vojvodina farmers at this time is the lack of artificial fertilizers for winter crops and oil for trench plowing, the Vojvodina economic chamber says.

The chamber reports that they gave a timely warning to the relevant bodies in the republic and federation that adequate measures should urgently be taken so that the necessary quantities of artificial fertilizer and fuel for agricultural mechanization are obtained.

There is a need for 80,000 tonnes of artificial fertilizers for wheat sowed on approximately 390,000 hectares in Vojvodina fields. The application of fertilizer on grain crops should be carried out from mid-February until mid-March.

However, all fertilizer factories have halted production due to the ban on the import of gas and the lack of other raw materials for the production of fertilizers. [passage omitted]